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NEWS SUMMARY

GENERAL

Clashes greet Nobel award

The Nobel Peace Prize was presented to Prime Minister Begin of Israel and President Sadat of Egypt, represented by an aide, in a 14th century Oslo castle ringed by police marksmen.

Ten pro-Palestine demonstrators, spattered with red paint representing blood, chained themselves to railings outside but were arrested just before Mr. Begin arrived by helicopter.

People protesting at the arrests later clashed with police and one person was taken to hospital. Page 2

Journalists seek printers' help

Leaders of 9,000 provincial journalists, on strike for more pay, are to ask print union general secretaries to instruct their members not to cross picket lines.

The National Union of Journalists claims increasing numbers of provincial managements are prepared to go beyond the 9 per cent offered by the Newspaper Society. Page 6

Britain trounced

Britain's first appearance in the Davis Cup tennis final for 41 years ended in defeat when John McEnroe and Brian Gottfreid beat Buster Mottram and John Lloyd in the closing singles matches to give the U.S. a 4-1 win. Page 12

Kennedy warning

Senator Edward Kennedy has warned President Carter that if economic programmes bite too deeply into social programmes then Democratic Party support could not be taken for granted. Kennedy's speech was rousingly received at the party's mid-term convention in Memphis. Page 2

Bakers vote

The result of bakers' union branch ballots over an improved offer amounting to just over 14 per cent should be known today. The strike began when a 26 per cent claim was answered with an offer of 11 per cent. Page 6

Meir funeral

Golda Meir, former Israeli Prime Minister who died on Friday, will be buried tomorrow at the mountainside cemetery reserved for the nation's leaders.

Rocket raid

Rhodesia's defence headquarters said that guerrillas attacked a sports club inside the Salisbury city limits using rockets and small arms. The club, in a suburban township, is used by blacks.

Thorpe hearing

The Jeremy Thorpe case committal hearing resumes at Minehead today when defence lawyers will make their submissions. The magistrates will decide later today or tomorrow whether all or any of the four defendants should be sent for trial, charged with conspiracy to murder Norman Scott.

Going Dutch

The price of some farmland in East Anglia has risen by 50 per cent because it is being bought up by Dutch people taking advantage of favourable exchange rates.

Briefly . . .

Twenty skiers escaped when an avalanche swept them away in the Bernese Oberland.

Compulsory military service is to be introduced in Saudi Arabia.

Soviet dissidents marked Human Rights day with a silent demonstration in Moscow.

Government will announce its long-term strategy for south-east England today.

Premium Bond £50,000 winner lives in Oxfordshire. No: 15VL 517455.

BUSINESS

Plan to stem skill shortage

● **MANPOWER** Services Commission is to launch an experimental scheme to try to stem the growing shortages *of skilled workers* in five key industries—domestic electrical appliances, construction equipment, pumps and *valves, diesel engines and food* and drink machinery.

The scheme, which has full Government backing, would add *a £500 lump sum payment* to existing employment transfer aid to certain categories of skilled workers. Back Page

● **INSTITUTE** of Fiscal Studies is launching today an independent committee on budgetary reform, which will consider what changes would be needed to allow State expenditure and revenue to be considered at the same time, rather than in the present fragmentary manner. Back Page

● **MONEY SUPPLY** last month was steady or marginally higher, official statistics to *be published* this week are expected to show. Page 4

● **PAY PACT** with the TUC, which was rejected by the TUC General Council, would have done nothing to help maintain *or restore differentials*, the general secretary of the Engineers and Managers Association has said. Page 6

● **PRICES SECRETARY** is expected to decide shortly whether to grant exemption from the Restrictive Practices Act for up to two years for some UK companies producing reinforcing steel bars, including the British Steel Corporation and GKN. Page 4

● **UNIONS** are to ask the Government for about £2m in aid to save 500 of the 2,800 jobs threatened at Singer UK's manufacturing plant on Clydebank. The U.S. parent company has agreed to retain 500 jobs and increase its investment from £8m to between £9m and £10m. Back Page

● **BIG BREWERIES'** near-monopoly in certain areas of Britain *will* be examined today as brewers' leaders and the Prices Secretary discuss proposals to break up local monopolies of public houses in some parts of the country. Back Page

● **FRANCE'S** steel industry is *expected to lose more than the* 20,000 jobs forecast at the time of the State taking effective control in September. Page 2

In Germany, *the Social Democratic* Party has backed the steelworkers in the Ruhr striking for a 35-hour week. No progress has been made *in the two-week-old* strike which has left 80,000 workers idle. Page 2

INSURANCE

● **PHOENIX** Assurance and Eagle Star Insurance are to increase *their rates for household* contents policies in the new year to meet rapidly rising costs. A third company, Legal and General has warned of increases but not yet decided on the scope. Back Page

● **CAR INSURANCE** premiums have risen an average 4.7 per cent over the past three months, according to an insurance industry report. The increase, equivalent to an annual increase of 18.8 per cent, is more than twice the corresponding increase in the retail price index. Page 4

OIL

● **CONSERVATIVE** energy spokesman, Mr. Tom King, *has* called for a government inquiry into allegations that BNOC has seriously abused its "uniquely *powerful position*" *in* North Sea development. Government's oil policies were, he maintains, making oil companies increas*ingly reluctant to in*vest in the North Sea, and risking some £15bn in lost revenue. Page 4

● **COMPAGNIE FRANCAIS** des Petroles, the French State-owned petroleum group is to boost its exploration budget next year by more than 40 per cent to FFr 1.05bn. Page 25

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FEATURES

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Million join in peaceful protest march in Tehran

BY SIMON HENDERSON AND ANDREW WHITLEY IN TEHRAN

Almost a million people marched through the centre of Tehran *yesterday in the biggest protest so far against the Shah*, while the regime shut the airport and guarded with tanks the north of the city where the Shah lives.

The march, and *similar* demonstrations in many other Iranian cities, called for the establishment of an Islamic Government, and voiced overwhelming support for the exiled religious leader, Ayatollah Khomeini, now in Paris.

But in western Iran the governor general of Ramadan province, Dr. Qodratollah Khodayari, was shot and seriously wounded during a demonstration in the city of Ramadan. He was rushed to Tehran where he had an emergency operation for the removal of six bullets.

The Opposition claims he *was shot by a soldier*, but there were no independent reports on the incident.

In Tehran, the march was well *organised and peaceful, with no* police or soldiers visible along the main routes. Such processions would normally be *banned under the martial law of* General Azhari, the Prime Minister and military leader but permission was given two days *ago when it became clear that* the protest would go ahead under any circumstances.

A 17-point resolution presented by the leaders of the march, declared Ayatollah Khomeini to be the leader of the Iranian people and called for the overthrow of the Shah, saying the struggle would be continued until victory.

The scale of the protest, and *its unity, bringing in all social* classes, clearly illustrates the growing dilemma for General Azhari of how to work for a political solution while remaining loyal to the Shah as head of State. Many public sector workers remain on strike and little work is being done in the private sector because of the general disruption.

At one time, yesterday's march, which had started from at least eight points of the city, ran for more than six miles along the main road across town. The crowd overflowed the six lanes of the highway throughout.

Curfew eased

It concluded early in the afternoon at the *Shahyad Tower*, a multi-storey edifice of sculptured concrete built in 1971 to commemorate 2,500 years of the Persian monarchy. *The crowd*, more than three-quarters of which consisted of young men, but which also included black-*veiled-and-robed* women, dispersed peacefully and without tension. There are expected to be similar political marches today.

Like yesterday, today is a Shia Moslem festival, the high point of a month of mourning. Processions from mosques will take place and again the military is not expected to intervene. Curfew, which normally starts at 9 pm, has been relaxed until 11 pm over the three days of the holiday.

Yesterday's march had been organised by the political and religious opposition to the Shah. Some of the political leaders have had contacts with the Shah over the possible setting up of a civilian government, and unofficial contacts are believed to have taken place to ensure that no *trouble* occurred on the march. The large number of stewards appointed also controlled traffic around the city.

The only direct military presence was helicopters which flew constantly overhead. But, in the north of the capital where *soldiers protected* many suburbs around the Shah's palace, many cars were turned away at roadblocks.

As an extra security precaution, the international airport has been closed for 48 hours until tomorrow morning.

Yesterday, the airport road which leads from the Shahyad Tower, was blocked by tanks.

Although several thousand foreign workers and their families have left, mostly Americans, the majority remain, and have been told to stay at home for the next *few* days by their embassies.

The other big marches were reported from Mashad, Tabriz and the religious centre of Qom, where the opposition estimated there had been 200,000 protesters.

Healey commits UK to talks on developing EMS

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN was committed over the weekend to playing a *full* role in further discussions on the development of the European Monetary System.

Mr. Denis Healey, the Chancellor, also committed the UK to efforts to ensure that the performances of European currencies become more harmonised.

He argued that "most of the problems relating to an EMS have yet to be seriously discussed" Britain, he said, would play a "leading role" in talks about turning the new European Currency Unit into a reserve asset which would lighten the load on the dollar, about the pooling of reserves in Europe, about the setting up of a European Monetary Fund and about relationships with other currencies like the dollar and the yen.

Mr. Healey made this commitment during an *interview* on Saturday *on* the BBC 2 television programme On the Record on the results of last week's EEC heads of government summit in Brussels.

Throughout the interview he stressed that, while Britain was *not joining* the exchange rate mechanism because it was too like the snake (the current European currency bloc), the Government *had not turned its back on* the system and remained keenly interested in wider aspects of its development.

In particular, Britain will press over the next few months for concerted action for higher growth and lower inflation along the lines agreed last July at Bremen and Bonn, and for the *successful conclusion of studies* aimed at helping the less prosperous members of the EEC—the UK, Italy and Ireland.

The Brussels summit requested the EEC Commission to study the relationship between greater convergence in economic performance and the use of Community instruments, notably the parts of the budget aimed at *reducing structural imbalances.* All this is seen by Britain as crucial to the success of any *durable* exchange rate mechanism.

British officials are also interested in the possibility of broadening the discussion on *concerted action on economic* management to include inflation rates and incomes policies.

One idea might be to create some more permanent form of EEC machinery to discuss the subject below the level of Finance Ministers. There is unlikely to be any great public pressure for the changes, since the UK will not want to move unless it sees a distinct possibility of success and a positive response from other members.

During the interview, Mr. *Healey* referred to the remarks made last Tuesday by Chancellor Helmut Schmidt of West Germany that the UK had volun*tarily offered* to *keep sterling* within a $2\frac{1}{4}$ per cent band as in the formal currency mechanism.

Mr. Healey said this was a "slip" on the German's part. *The British* Government, he said, had indicated that it would try to keep the pound stable in relation to the currencies of other coun-

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News Analysis Page 4

CBI detects drift above 5%

BY JOHN ELLIOTT

A GRADUAL increase in the number of wage settlements being agreed above the Government's *official* 5 per cent limit was indicated at the weekend by the Confederation of British Industry's pay data bank.

*Although the number of wor*kers who have settled Phase Four deals stands at only 840,000, which is extremely low for the *time of year, there has been a* gradual shift in the past fortnight to deals above the 5 per cent limit.

Ford Motor's 17 per cent deal is included in the figures, but it is clear that the confederation is also receiving reports from other companies of limit-breaking settlements. Rises agreed at Vauxhall Motors and British Oxygen have not yet been included.

So far 333 deals covering 840,000 workers, have been reported. This compares with 197 covering 300,000 a fortnight ago and shows a slight quickening in the pace of negotiations, even though the confederation says there is still a marked reluctance to settle.

The 333 deals include 14 private sector national agreements, among which are four awards by wages councils. Rises above the 5 per cent limit have been agreed in 13 of the settlements in line with the pay White Paper's exceptions for low-paid workers.

But apart from these settlements, only 77 per cent of the workers in the offer deals have accepted rises within the 5 per cent limit. A fortnight ago this figure stood at about 85 per cent.

The confederation has also been told of more than 100 self-financing productivity schemes covering a total of 150,000 workers since the beginning of August.

The future of the Government's pay policy will be discussed today at a meeting between Mr. Denis Healey, Chancellor of the Exchequer, and leaders of the British Institute of Management.

A meeting is also planned between the confederation and the Prime Minister. Both organisations are protesting against the imposition of sanctions on companies, such as Ford, which exceed the limit.

Dutch decide on U.S. aircraft

BY CHARLES BATCHELOR IN AMSTERDAM

HOLLAND HAS opted for the Lockheed Orion to replace the Dutch Navy's ageing fleet of Lockheed Neptunes for marine reconnaissance work.

This decision comes as a blow to the French manufacturer Dassault, which hoped its Breguet Atlantique would be chosen, and to the Dutch group Fokker, which hoped for sizeable compensation orders from France.

The Dutch Cabinet has *decided in favour of the Orion* because the 13 aircraft will cost only Fl.900m (£191m), Fl.300m (£68.3m) less than the Atlantique. The Navy also prefers the Orion, which can be delivered from 1981 compared with 1984 for the French aircraft.

Earlier this year the Atlantique emerged as a clear favourite and the choice of this aircraft would have heralded a far-reaching aerospace deal between France and Holland.

The French were willing to buy 18 F-27 turbo-props and were also ready to place compensation *orders worth half of the total* value of the Atlantique contract.

At a late stage in the decision-making, though, it became clear that the French were unwilling to join in the development of Fokker's F-29 jet.

Lockheed offered to assemble the 13 Orions in Holland and guarenteed compensation orders worth at least $60m but Fokker remained in favour of French co-operation.

Fokker said the Cabinet's decision was "a great disappoint*ment*."

The Dutch company wants urgent talks with the Economics Ministry about its future. Fokker *has said co-operation with the* French is essential for the company's future as a self-supporting aircraft manufacturer.

'Little progress' on sex equality

By Alan Pike
Labour Correspondent

PROGRESS towards genuine sex *equality in industry has been* largely disappointing, according to an Equal Opportunities Commission study of 575 leading employers.

The report concludes that most employers in large companies have developed policies for avoiding unlawful discrimination, *but understanding of the* wider issues is low. Only 2 per cent of companies analysed had *taken any positive action* to extend equal opportunities.

"It is clear that the vast majority of employers need to take detailed stock of the position to identify the extent to which discrimination—perhaps unwittingly—may be being perpetuated," the survey says.

The Commission started by obtaining information from employers in the country's most prominent companies. A total of 77 per cent of those approached supplied information, and some companies were visited.

Economic conditions in which the survey was conducted, strongly affected the reception it was given by employers.

"Many of the positive actions suggested by the Commission were seen as low priority compared with other business pressures. Traditional and attitudinal barriers have been part and parcel of a view that positive action is unnecessary and costly."

In general, the wider issues of equal opportunities had hardly been examined, and "indeed they may not even have been acknowledged as issues."

Only a quarter of companies surveyed had written equal opportunities policies. While 39 per cent had analysed their workforce according to sex, only 4 per cent had used the analysis to monitor progress on equality.

The report congratulates J. Sainsbury, Cadbury Schweppes, Wilkinson Match, Lloyds Bank, H. J. Heinz and Rolls-Royce for aspects of their employment policies.

It says, however, that shop floor and local trade union resistance is regarded by many employers as a substantial barrier to breaking down segregation, particularly in printing, chemical process and packaging work and pharmaceutical production.

There was also strong union opposition to providing compensatory training in the printing industry.

Job segregation was still common throughout industry with little evidence of a desire to change attitudes. Only seven employers interviewed mentioned that they had used the provisions of the Sex Discrimination Act to apply positive discrimination in favour of women.

Equality Between the Sexes in Industry. Free from the Equal Opportunities Commission.

Fluor of U.S. in $800m China deal

BY STEWART FLEMING IN NEW YORK

FLUOR, a leading U.S. engineering group has signed an $800m *contract with China to develop* a major new copper mine.

The contract is for the design and management of a copper *mine and concentrator capable of* processing 190,300 tons of ore a day. It is scheduled for completion in 1983. Fluor will be *reimbursed of the basis of its costs and expenses, plus a profit.*

This announcement comes in the same week that United States Steel, the largest American steel producer, disclosed that it is seeking a $1bn plus contract to develop an iron ore facility, and follows a statement from Bethlehem Steel, the industry's second leader, that it has signed a $100m contract to develop an iron ore mine.

Over the weekend, Texaco, the large oil company, also joined the ranks of corporations signing new contracts with China. The company said that the Texaco synthesis gas generation process has been licensed for use in the manufacture of ammonia in the People's Republic.

The new contracts underline the burgeoning trading links between China and the U.S. and the growing opportunities for business which U.S. companies see in an area of the world for so many years virtually closed to them.

Even a Wall Street stockbroker, Mr Don Regan, chairman and chief executive of Merrill Lynch, recently made a visit there.

According to recent reports the number of U.S. businessmen *looking for trade deals in China* has doubled to 200 in recent weeks, and a broadening spectrum of U.S. industry is repre*sented.*

Thus, Aluminum Company of America disclosed on Friday that company representatives, including its president, visited China last month for technical discussions on the development of China's aluminium industry, and *during the week a team was* despatched from the U.S. to visit possible sites for such facilities in southern China.

Earlier this month it was disclosed that the Chinese were negotiating with Boeing to buy five 747 Jumbo jets and in November a Pan American World Airways unit, Intercontinental Hotels, disclosed that it had agreed to build and operate a chain of hotels in China at a prospective cost of $500m.

Oil equipment and mining are two areas in which U.S. companies are showing particular interest. But several corporations in the agricultural industry are also active. Pullman apparently is hoping to expand its links with the development of China's fertiliser business while executives of the farm equipment company, Deere, are discussing licensing arrangements which could involve building plants in China to produce Deere-designed farm tractors and implements.

Meriden may ask for interest to be waived

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

MERIDEN motor cycle co-operative *is expected to seek more* help from the Government to overcome its financial problems. An application is likely to be *made to the Department of* Industry to waive interest on State loans due to be paid next June.

The co-operative will probably argue that it is fighting back to viability, but cannot expect to earn sufficient profit to meet accumulated interest charges of more than £1m.

This will pose a sensitive political problem for the Government, which is about to receive a further demand for aid totalling some £3m from the loss-making Kirkby Manufacturing and Engineering workers' co-operative on Merseyside.

The Meriden move follows top-level management changes under which Mr. Geoffrey Robinson, the Labour MP for Coventry NW and former managing director of Jaguar Cars, has taken over an *important management role.* Mr. John Nelson, the managing director, has stepped down to become spares and service *manager.*

To lift both morale and output at the factory, a two-tier bonus scheme is being introduced. It *will give production workers* a £9 increase in their £64.68 weekly pay.

Unofficial soundings by the co-operative at GEC and Guest Keen and Nettlefolds, both of which have given financial or management assistance in the past, so far appears to have met with little success.

Mr. Robinson, who played a leading role in the setting up of the co-operative in 1974, is likely to take upon himself much of the task of trying to recruit new management.

Since its formation with a £4.2m state loan in 1974, there

Continued on Back Page

U.S. gives a show of support for Ceausescu

By Paul Lendvai in Vienna

THE ROMANIAN leadership received demonstrative U.S. backing on Saturday for its independent-minded policies, and Mr. Michael Blumenthal, U.S. Treasury Secretary, conveyed a personal message from President Jimmy Carter to President Nicolae Ceausescu.

Mr. Blumenthal, who earlier had visited Moscow and Bonn, was sent to Bucharest to underline publicly "the importance President Carter attaches to Romaina's independendece and U.S.-Romanian friendship." He also pointedly praised Romania's constructive role in international affairs.

It is understood that it was the Romanians, engaged in a test of strength with the Soviet Union over increased defence expenditures and military integration, which pressed for urgent and visible U.S. support.

The Romanians hope that two-way trade with the U.S. will rise to $1bn by 1980. Diplomatic observers do not exclude the possibility that the Romanians—after an abortive attempt in 1975—may again put out feelers to Washington for the purchase of U.S. arms on a long-term credit basis.

On Saturday, the Romanian party daily, Scinteia, praised France for standing up for the national control of its armed forces at the recent NATO meeting. The newspaper also hailed President de Gaulle's decision 12 years ago to withdraw France from military integration in NATO.

In an indirect but unequivocal answer to a recent statement by Mr. Leonid Brezhnev the Soviet President, the newspaper referred to the latest NATO session as a proof that there was no justification for strengthening the blocs and escalating military expenditures.

In a sharp contrast to the Soviet line, it concluded that the activity of the military alliances should be curbed rather than strengthened. Genuine security, it argued, did not depend on bloc ties and ever-greater defence expenditure but on concrete measures to promote disarmament and military disengagement.

Job losses in French steel likely to top estimate

BY DAVID WHITE IN PARIS

JOB LOSSES in France's reorganised steel industry are expected to exceed the 10-20,000 figure foreseen in September, when the State took effective control of the principal companies.

Details of cutbacks are due to be presented this week. The Lorraine-based producer Sacilor-Sollac has already disclosed plans to shed 8,500 jobs next year and in 1980. Many of these will be outright redundancies, and the group is already seeking authorisation to axe 2,500 jobs.

The figure from Usinor and Chiers-Chatillon, which were merged last month, is expected to be about 12,500. This would bring the total reduction to 21,000 out of a French steel workforce of 140,000. The main plants expected to suffer are at Longwy in Lorraine and in the Valenciennes region of Northern France.

The new schedule of job reductions will come into force next spring, after completion of a previous plan cutting 16,200 jobs, agreed in 1977 between employers and the moderate union, Force Ouvriere.

Unions are planning meetings in Lorrains from tomorrow to consider possible strike action against the plan. The Left-wing CFDT described the announcement of the Sacilor-Sollac plan as a stab in the back, and proposed a joint front with the other steel unions.

Sacilor-Sollac, where the Government has put in a senior technocrat, M. Jacques Mayoux, as chairman, said it would show a further loss this year before financial charges and depreciation. Last year its losses trebled to about £270m.

The company employs about half Lorraine's steelworkers. The plan, due to be carried out by the end of 1980, means its workforce will have been cut by more than 50 per cent since 1970, from 55,100 to 26,300.

The management said that action taken so far to make the company more competitive had brought considerable results, but not enough.

Taking into account the Usinor-Chiers-Chatillon plan and cutbacks in smaller steel companies, the French steel industry's workforce is likely to be about 118,000 at the end of 1980, compared with 158,000 in 1974.

In the period from January to October this year, France produced 19.2m tonnes of steel, 2 per cent up on the equivalent level last year.

SPD backs German strikers

BY ADRIAN DICKS IN BONN

CHANCELLOR Helmut Schmidt's Social Democratic Party made a determined attempt over the weekend to reaffirm its links with the trade union movement, and to redress what many in the party see as an unfair weighting of political and public opinion against the unions in recent years.

A special party conference in Cologne expressed solidarity with the striking Ruhr steelworkers, in the shape of resolutions condemning the lock-out and approving as a "long-term goal" the 35-hour working week claim that is at the centre of the steel dispute.

Meanwhile there has been no progress towards solution of the two-week old steel dispute itself, in which the combination of a strike and an employers' lock-out has made a total of 80,000 workers out of some 200,000 idle in the North Rhine—Westphalia, Osnabrueck and Bremen bargaining regions.

Herr Friendhelm Farthmann, the North Rhine — Westphalia Labour Minister who has been called in to mediate, held further meetings on Saturday and yesterday with both sides, but reported that none of the proposals put to him in separate talks suggested that there was yet sufficient common ground to justify further bargaining between them. He said last night he was sceptical about the chances of an end to the dispute, and he has not arranged further talks.

The SPD conference resolution said that the party now regarded a ban of the lock-out weapon as "unavoidable." However, it is unlikely that the coalition Cabinet's firm decision last spring to take no action on the matter will be overturned as a result of the resolution. Herr Herbert Wehner, the party leader in the Bundestag, warned that in present circumstances, any effort by the SPD to introduce a Bill banning lock-outs would not find a majority—a blunt reminder that the party could not hope to convince its Free Democratic coalition partners to join such an initiative.

Support for the 35-hour working week came in a somewhat less direct form, when the SPD formally endorsed a campaign programme for next year's European elections in which a shorter work week is held out among other long-term objectives of a "social" Europe.

Herr Hans Koschnick, the Mayor of Bremen and deputy SPD chairman, denied that either resolution breached the tradition of non-interference by political parties in industrial disputes, but declared that "no one can stop us from saying which side our hearts are beating for in this dispute."

The conference also adopted an impressive list of candidates for the European elections, headed by Herr Willy Brandt, the former Chancellor, and including distinguished SPD politicians and trade union leaders.

Bangladesh politicians plan election boycott

BY OUR OWN CORRESPONDENT

SOME 14 political parties have have decided not to participate in the Bangladesh general elections to the National Assembly due to be held on January 27. They claim that without certain prerequisites the elections will be a farce and a waste of public and private funds. Their prerequisites include withdrawal of martial law and the restoration of the fundamental rights of the people through the repeal of all repressive laws.

They also seek restoration of parliamentary democracy; unconditional release of all political prisoners and freedom fighters; the right of appeal to the highest courts of law against conviction under martial law; retirement from the army of Maj. Gen. Ziaur Rahman if he wishes to participate in politics and restoration of the freedom of the Press.

President Ziaur Rahman announced an election date on November 30 in a nation-wide radio and television broadcast. The new Parliament will have the power to form or amend laws, amend the constitution, approve or disapprove the budget, and even impeach or remove the President.

Most of the political parties have been agitating over the last few months for the restoration of Parliamentary democracy. 12 of the parties planning to boycott the polls jointly participated in the Presidential elections that took place on June 3. Their candidate lost to President Ziaur Rahman. President Rahman, in his November 30 speech said he would like to have in the new National Assembly a viable and constructive opposition

Out of the 21 political parties, seven appear ready to participate in the elections on January 27.

Security tight at Nobel ceremony

By William Dullforce in Oslo

WITH Mr. Cyrus Vance, U.S. Secretary of State, visiting Cairo in an attempt to rescue the Camp David draft peace agreement between Egypt and Israel, the 1978 Nobel Peace Prize awards were presented yesterday in a low-key ceremony.

Mr. Menahem Begin, the Israeli Prime Minister, received his gold medal and cheque in person. President Anwar Sadat's half of the NKr750,000 (£75,000) prize was accepted on his behalf by his special advisor, Mr. Seyed Marei.

For security reasons, the ceremoney was moved from its traditional venue in the large hall of Oslo University to the small Christian IV Room of the medieval Akerhus Castle, overlooking the harbour. Armed soldiers and police controlled all vantage points and approaches to the castle, while an army helicopter circled overhead throughout the ceremony.

Neither Mr. Begin in his speech of thanks nor President Sadat, in the message read for him by Mr. Marei, dealt with the problems stalling the peace agreement. Mr. Sadat reiterated that the aim was to bring security to the Middle East peoples "and to the Palestinians in particular, restoring to them all their right to a life of liberty and dignity."

Mr. Begin repeated his conviction that the Camp David agreement "can serve, if and when signed and ratified, as a good treaty of peace." Mr. Begin and Mr. Marei shook hands several times and chatted during the ceremony; but no talks on the Camp David agreement have been held here.

Vance in talks with Sadat

By Roger Matthews in Cairo

MR. CYRUS VANCE, the U.S. Secretary of State held talks here last night with President Anwar Sadat in an effort to break the virtual suspension of the peace treaty negotiations between Egypt and Israel.

Mr. Vance confirmed before leaving London on his way to Cairo that he would consider shuttling between Cairo and Jerusalem if his talks with Mr. Sadat and later with Mr. Menahem Begin, Israel's Prime Minister, proved fruitful. The Egyptian newspaper Al Ahram claimed yesterday that Mr. Vance would propose that the December 17 deadline for initialling a peace treaty agreed at the Camp David Summit in September should be extended by one month.

However, there is no indication yet that President Carter would agree to such a postponement.

Mr. Vance, who is carrying with him messages from President Carter, will fly to Israel tonight to attend tomorrow's funeral of Mrs. Golda Meir, the former Israeli Prime Minister.

El Salvador repression claim

Opposition political parties in El Salvador are not allowed to win elections, and there is systematic torture and ill-treatment of prisoners in the hands of security forces. This was claimed by Mr. Peter Bottomley Conservative MP for W. Woolwich on his return at the weekend from El Salvador where he was a member of the Parliamentary Human Rights Group mission led by Lord Chitnis, writes Hugh O'Shaughnessy.

The mission had received co-operation from members of the Government of El Salvador, he said, adding that the country had a more open society than many in eastern Europe. Mr. Bottomley called on the British Government to give more consideration to its defence and aid relationship with El Salvador

China poster incident

A new poster urging America's President Jimmy Carter to champion human rights in China was quickly torn down from Peking's "democracy wall" yesterday by a man who said its author was a Soviet provocateur, witnesses told Reuter.

Soviet whale pledge

The Soviet Union plans to end its commercial whaling operation within five years, Mr. Viacheslav Zemsky, chief Soviet delegate to an International Whaling commission meeting in California, was quoted as saying in an interview with the Los Angeles Times, reported on Saturday.

Vietnam troops gather

Thailand's supreme military commander was quoted yesterday as saying that intelligence reports indicated that Vietnam has moved most of its 40,000 soldiers in Laos to the Cambodian border, Reuter reports from Bangkok. Thai armed forces have been put on alert as a precautionary measure.

Lebanon row

The Saudi Ambassador to Lebanon Mr. Ali al Shaer, is recuperating in a Beirut hospital after he was shot when the helicopter in which he was travelling came under fire from Christian Militia ground forces on Friday. The shooting touched off a political uproar because of its possible repercussions on the Arab role in the Lebanese crisis, writes Ihsan Hijazi from Beirut. The incident has led to the postponement of a meeting of the Saudi, Kuwaiti, and Syrian committee which was formed in October to help President Elias Sarkis consolidate the ceasefire in Lebanon.

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Kennedy's oratory fails to shake Carter's dominance

BY JUREK MARTIN IN MEMPHIS

SENATOR EDWARD KENNEDY from Massachusetts this weekend served warning on President Carter not to take the allegiance of the Democratic Party for granted if the Administration's austere economic policies bite too deeply into social programmes.

In a vivid, impassioned speech that had the previously passive delegates to the party's mid-term convention here out of their seats and roaring approval, Senator Kennedy took up the case for introducing a national health insurance scheme forthwith in terms that touched a raw nerve among the party's discomfited liberals.

The Senator said he supported the fight against inflation if the burdens were equally shared. But, he went on, his voice rising in the manner of his late brothers, arms punching the air, "we cannot accept a policy that cuts spending to the bone in areas like jobs and health, but allows billions of dollars in wasteful spending for tax subsidies to continue and adds even greater fat and waste through inflationary spending for defence."

The contrast between Mr. Kennedy's eloquent fire and brimstone and Mr. Carter's calm and measured approach in his appearance here was stark. But it may be unwise to read too much into it in looking ahead to the 1980 Presidential election; for, as this conference wound down into its closing hours, it also appeared that Mr. Carter remained solidly in control of the Democratic Party and that the liberal teeth were in the process of being drawn.

This was demonstrated during the afternoon when the conference voted down a proposal that would have demanded of the President that social spending be kept at current levels. Further evidence was provided by a poll of half the voting delegates here taken by a TV network which showed Mr. Carter favoured by 58 per cent to 34 per cent for Sen Kennedy.

Mr. Carter gave no public hint here of his intentions for 1980. But he is understood to have conferred privately with leading supporters in New Hampshire, which holds the first presidential primary 15 months from now, and intimated that he would have no objection if they were to start organising quietly on his behalf.

Apart from Senator Kennedy, most of the President's main critics and potential political opponents did not bother to come to Memphis. This made that much easier the White House's task of controlling the conference in such a way as to give the semblance of uninhibited debate on the party's platform in 1980 without running the risk of tying the President's hands.

The President said he had no apologies to make for maintaining a strong defence posture, but he held out the hope that once a strategic arms limitation agreement with the Soviet Union had been signed shortly he would put SALT 3 talks "high on the agenda" and that these should result in much more drastic cuts in missile strength.

He repeatedly stressed that, as President, he had to balance many competing interests within the confines of the need to cure inflation. But both he, and the bevy of Administration officials also present, maintained that the burdens would be fairly shared. And if his keynote speech on Friday night was rather flat he showed again in talking to workshops on defence and the economy on Saturday morning that in a more informal setting he can be formidably articulate and impressive.

Italians debate EMS tomorrow

BY PAUL BETTS IN ROME

SIG. GUILIO ANDREOTTI, the Italian Prime Minister, will open a crucial parliamentary debate tomorrow on the controversial issue of Italian membership in the European Monetary System (EMS) now threatening the survival of his minority Christian Democrat administration.

To avert the threat of a Government crisis on this issue, Sig. Andreotti is expected to propose to the parties supporting his administration a compromise which will reassert Italy's firm commitment to join the EMS as soon as possible but not immediately.

After a series of meetings with the leaders of the main political parties and the monetary authorities, Sig Andreotti is to hold talks today with Mr. Francois Xavier Ortoli, the vice-president of the European Economic Community, and his own ruling party before announcing his Government's decision on the EMS to Parliament.

While most of the political parties, including the Communists, the Socialists and the Christian Democrats, are generally opposed to Italy's entry into the EMS under the current terms, the small but influential Republican party has warned the Government that it would withdraw its support from Sig. Andreotti if the country did not join on January 11.

The Republicans fear that should Italy not immediately join the more rigid discipline of the snake, the Government's attempts to introduce a medium-term recovery programme and an incomes policy would be eroded.

Although the withdrawal of the Republicans from the present parliamentary majority would not necessarily open a government crisis, it would seriously undermine the fragile governing coalition and open wide differences within the ruling party.

Monetary union has effectively split the Christian Democrats with a vociferous faction of the party suspecting that Sig. Andreotti's motivations for not taking Italy immediately into the new snake are dictated by the opposition of the powerful Community party to the present EMS.

Over the past few days, Sig. Filippo Maria Pandolfi, the Treasury Minister and one of Italy's negotiators at Brussels, has repeatedly indicated the main reasons for the Government's hesitation over the EMS, which include inadequate transfer of resources and reservations on certain aspects of the technical mechanisms of the new snake.

A compromise involving Italy's commitment to monetary union but the need for further negotiation with EEC governments to enable the country to join the new snake as soon as possible is expected to be acceptable to the left-wing parties as a whole and to the majority of the Christian Democrats.

However, the increasingly bitter controversies among the main parties are interpreted here as a sign of growing political disaffection to the present coalition formula and the prelude of another Government crisis. This climate of political uncertainty is a further reason why many political leaders and economic experts here are reluctant to see Italy join the EMS at this stage.

Swiss foreign reserves peak

By John Wicks in Zurich

SWITZERLAND'S foreign-currency reserves reached a new record in the week ended December 7, according to the weekly report of the National Bank. Dollar purchases, mainly from national bank interventions on the foreign-exchange market and from the liquidation of swap transactions, exceeded dollar sales to the banking system in respect of the conversion out of Swiss francs of the proceeds of foreign borrowings by SwFr 597.6m (£179m). This brought overall foreign-currency holdings up to SwFr 28.32bn (£8.5bn). Gold reserves remained unchanged at SwFr 11.9bn (£3.6bn). In comparison with these very substantial reserves, banknote circulation was of SwFr 20.9bn (£6.3bn) for the week in question.

● The Swiss cost-of-living index rose by 0.1 per cent in November and was thus 0.6 per cent higher than the level for a year before.

NOTICE OF REDEMPTION

ADELA INVESTMENT COMPANY S.A.

US Dollars 25,000,000 Floating Rate Notes Due 1983

Notice is hereby given Pursuant to the Terms and Conditions of the above mentioned Notes. The principal amount of US Dollars 1.500,000.00 has been Drawn for Redemption on January 11, 1979 for Sinking Fund purposes at 100 per cent of the Principal amount thereof. The following is a List of the Notes to be redeemed therewith:

US Dollars 1,000 Notes to be redeemed

1	23	46	51	77	99	123	149	178	195	220	243	263	289	315	339
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12620	12636	12653	12670	12687	12693	12703	12721	12746	12753	12768	12781	12797	12814	12821	12843
12859	12873	12891	12906	12921	12943	12967	12973	12991	12999	13031	13060	13073	13089	13098	13112
13133	13151	13173	13196	13207	13221	13236	13251	13273	13291	13307	13321	13346	13366	13381	13399
13416	13427	13436	13451	13470	13489	13501	13509	13526	13539	13555	13573	13591	13607	13621	13637
13653	13671	13687	13693	13710	13726	13741	13757	13780	13789	13799	13817	13831	13846	13863	13881
13893	13906	13926	13941	13957	13973	13987	13993	13997	14014	14036	14053	14067	14086	14093	14112
14126	14139	14151	14163	14181	14199	14209	14231	14260	14271	14289	14297	14309	14321	14356	14366
14379	14400	14409	14426	14439	14451	14473	14480	14507	14521	14537	14560	14571	14585	14599	14620
14631	14650	14659	14680	14689	14701	14721	14747	14761	14789	14807	14828	14839	14853	14879	14891
14912	14921	14936	14941	14948	14971	14983	14991	14997	14998	15021	15036	15049	15066	15073	15081
15093	16000	16019	16033	16057	16073	16091	16108	16126	16137	16152	16183	16197	16213	16231	16261
16280	16295	16319	16328	16352	16368	16384	16399	16417	16430	16449	16462	16486	16497	16509	16526
16573	16550	16566	16579	16585	16597	16613	16624	16644	16655	16670	16683	16693	16713	16730	16747
16763	16780	16797	16809	16822	16843	16859	16874	16893	16899	16917	16929	16951	16959	16983	16998
17016	17030	17047	17061	17078	17090	17099	17117	17133	17150	17167	17181	17196	17209	17226	17240
17258	17273	17294	17310	17326	17343	17361	17386	17398	17414	17433	17459	17472	17493	17514	17536
17551	17569	17583	17596	17611	17626	17644	17660	17681	17699	17718	17738	17756	17777	17790	17803
17821	17840	17856	17873	17896	17910	17926	17941	17957	17973	17986	17998	18017	18032	18060	18079
18090	18114	18128	18145	18159	18176	18188	18197	18215	18236	18255	18276	18289	18301	18326	18351
18367	18383	18395	18414	18432	18453	18470	18491	18508	18517	18539	18553	1858	18597	18618	18634
18651	18670	18686	18695	18713	18729	18743	18760	18787	18799	18814	18832	18857	18870	18886	18898
18913	18926	18931	18957	18971	18988	18999	19018	19033	19046	19059	19076	19085	19103	19121	19132
19150	19168	19187	19198	19216	19231	19258	19276	19289	19298	19314	19327	[illegible]	[illegible]	[illegible]	[illegible]
19347	19400	19412	19427	19436	19451	19466	19481	19493	19506	19526	19537	19559	19573	19587	19599
19618	19629	19633	19650	19671	19689	19699	19713	19728	19740	19757	19773	19796	19795	19814	19829
19846	19859	19873	19886	19897	19919	19930	19952	19970	19987	19996	20013	20027	20041	20059	20073
20082	20099	20109	20127	20140	20159	20173	20189	20201	20222	20240	20258	20276	20289	20297	20315
20327	20345	20370	20389	20395	20414	20436	20459	20473	20491	20510	20523	20539	20556	20579	20593
20615	20633	20652	20673	20687	20698	20710	20725	20748	20769	20785	20788	20837	20856	20872	20895
20920	20936	20951	20970	20989	21007	21026	21043	21061	21085	21099	21114	21129	21136	21157	21171
21190	21207	21219	21236	21253	21269	21287	21296	21311	21332	21357	21373	21391	21409	21426	21439
21457	21469	21479	21493	21508	21519	21536	21555	21576	21593	21612	21630	21657	21673	21689	21699
21721	21740	21759	21787	21781	21798	21809	21819	21832	21850	21873	21888	21898	21918	21936	21951
21969	21980	21997	21998	22020	22039	22058	22073	22096	22119	22132	22151	22169	22187	22199	22214
22232	22258	22276	22296	22315	22329	22346	22357	22378	22395	22417	22429	22443	22468	22493	22498
22513	22529	22551	22573	22589	22607	22626	22647	22659	22673	22684	22696	22715	22734	22761	22789
22798	22813	22836	22851	22869	22889	22906	22919	22936	22957	22976	22991	23015	23036	23057	23074
23085	23095	23121	23146	23162	23185	23199	23215	23233	23255	23273	23295	23317	23339	23351	23376
23389	23400	23421	23426	23457	23469	23487	23501	23519	23526	23567	23579	23596	23612	23629	23650
23672	23699	23703	23726	23744	23768	23781	23798	23814	23835	23856	23873	23886	23897	23899	23926
23943	23955	23981	23993	24016	24031	24052	24069	24081	24097	24116	24132	24156	24173	24192	24199
24226	24242	24263	24287	24299	24317	24333	24357	24372	24388	24397	24418	24433	24459	24472	24494
24513	24536	24542	24552	24568	24577	24586	24597	24609	24626	24637	24648	24662	24681	24695	24709
24718	24727	24732	24748	24756	24763	24780	24792	24799	24807	24816	24821	24832	24840	24856	24861
24872	24881	24893	24899	24902	24907	24910	24917	24920	24923	24929	24931	24937	24940	24943	24950
24953	24962	24968	24970	24973	24979	24980	24982	24984	24986	24989	24990	24992	24994	24996	25000

On January 11, 1979, the Notes designated above will become due and payable in U.S. Dollars and are required to be presented for redemption and payment on or after January 11, 1979 at the office of the Principal Paying Agent, Bank of America, 41 Broad Street, New York, N.Y., 10004 or at the holders option at the offices of the following Paying Agent:

Amsterdam-Rotterdam Bank N.V., 595 Herengracht, Amsterdam.
European Banking Co. Ltd., 40 Basinghall Street, London, EC2P 2DY.
Kredietbank N.V., 7 Arenbergstraat, 1000, Brussels.
Kredietbank S.A. Luxembourgeoise, 37 Rue Notre-Dame, Luxembourg.

Interest on the Notes so called for Redemption shall cease to accrue from January 11, 1979, and the coupons attached thereto maturing after January 11, 1979, shall be void.

Bank of America New York
(Principal Paying Agent)

December 1978

WORLD TRADE NEWS

Britain now in deficit on trade with France

PARIS—French trade with Britain swung sharply into surplus in the first nine months of this year, with French exports exceeding imports by FFr3.235bn (£386m) against a deficit of FFr1.5 bn in the same period last year, latest official figures show.

For the whole of 1977 Franco-British trade showed a surplus of FFr2.1bn in Britain's favour.

Overall French exports to Britain totalled FFr18.1bn in the first nine months of this year, up from FFr14.8bn a year earlier. French imports amounted to FFr14.9bn in the period, up from FFr13.3bn in the same 1977 period.

Britain, which is France's fourth-biggest client, accounted for 6.5 per cent of French exports world-wide in 1977. France—Britain's third-biggest customer after the United States and West Germany—accounted for 6.8 per cent of British exports.

France increased its purchases of British petroleum products by 15 per cent to FFr1.1bn up to end end of September from FFr955.2m a year earlier.

Trade in raw materials was FFr 34.9m in France's favour compared with a deficit of FFr13.6m in the first nine months of 1977. French exports exceeded imports in the semi-finished products sector by FFr518.8m against a deficit of FFr224.4m a year before.

The traditional French trade deficit in capital equipment narrowed sharply in the first *nine months of this year* to FFr. 186.9m from FFr. 1.3bn in the same period of 1977. For all of 1977 French imports of capital equipment exceeded exports by FFr. 1.6bn.

British imports of French consumer goods were FFr 2.04bn higher than exports during the first nine months, up from a trade deficit of FFr 1.4bn a year before.

Figures for 1977 show that British investment in France amounted to FFr 546m, or almost three times the 1976 total of FFr 186m.

In contrast, French investment in Britain dropped by 23.7 per cent in the same period to FFr 883m. Of the total, FFr 883m (or 93 per cent) were accounted for by investments by French oil companies in North Sea oil exploration.

AP-DJ

Britain still leads W. Germany in world tractor sales

FINANCIAL TIMES REPORTER

ALTHOUGH THE UK's share of world tractor exports has dropped sharply in recent years, it is one of the few sectors in which Britain's share still exceeds that of West Germany.

Other sectors in which the UK's share is close to that of Germany include statistical machines, construction and mining machinery, insulated wires and cables, batteries and accumulators.

These are among the findings *of a statistical comparison of* engineering in Britain, France and Germany, published today by the Sussex European Research Centre.

The study points out that Germany's high average performance in engineering, with 2.4 times the British market share, is not due to exceptional performance in some sectors offsetting relatively weak performance in others. "Germany appears to win nearly all the prizes."

The British appear to be exporting a more "down market" range of engineering products than the French or Germans. This is shown by the lower *average export value per tonne*, implying a lower content of value added. (Average fob export values per tonne: Britain $5,700, *France $7,400, Germany $8,200.*) These differences, the study suggests, are due less to lower British prices than to lower *quality or less sophisticated* types of machine.

In all three countries, the branches of engineering most dependent on exports are also those in which imports have penetrated the home market most deeply.

Engineering in Britain, West Germany and France: some statistical comparisons, by Christopher Saunders, Sussex European Paper No. 3. Price £2.

Editorial comment, Page 14

Italians seek British technical co-operation

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

GEPI, the Italian Government-controlled industrial holding company, wants to buy British technology and give British companies the opportunity to take interests in Italian manufacturing industry.

The Italian organisation has 150 companies on its list for which it wants to buy in new technology on the basis of licensing. The range of products made by the companies include textiles and clothing, agricultural equipment, electrical goods, *electronic components* and aeronautical products.

As well as offering to buy the licence, GEPI is also offering *the British industrialist* the opportunity to buy a part or all of the company in Italy into which the licence is sold. There *is no time limit on this aspect of* the proposed deals, so it means *that* the adoption and application of the licence by the Italian company will be funded by the Italian Government until such point as the British manufacturer desires to take a stake.

Kenya-Tanzania talks

BY OUR OWN CORRESPONDENT

NEGOTIATIONS HAVE resumed between Kenya and Tanzania on new trade arrangements *which* could lead to a reopening of the border between the two countries, closed by Tanzania early in 1977 after Tanzania accused Kenya of working to end the East African Community.

The Community collapsed in July last year, when the East African Common Market also ceased to exist.

Tanzania has refused to reopen the border—with the aim of cutting Kenya's former trade with Tanzania, and its important trade with Zambia and Malawi—until acceptable trade arrangements are agreed.

The latest discussions, held in Mombasa, covered proposals to establish an inter-government committee to deal with trade matters

UK aero engine orders increase

Financial Times Reporter

THE UK aerospace industry earned a payments surplus of over £302m in the first ten months of this year, with exports of nearly £945m more than offsetting imports of over £644m.

A feature of the latest figures from the Society of British Aerospace Companies is the high value of engine exports, amounting to nearly £403m for the first ten months.

Of this, nearly £131m was accounted for by exports of new engines, including Rolls-Royce RB-211s for the U.S. Boeing 747 and Lockheed TriStar programmes. But sales of spares and refurbished engines were also high at £162.3m and £110m respectively.

Another strong feature has been the expansion in exports of equipment this year, with exports of instruments running at close to £49m for the first ten months.

● Boeing said in Seatle that it had sold three 727-200 jets to Mexicana airlines. Boeing said deliveries will be in April, May and August 1980. Mexicana has already ordered five 727's, for delivery in 1979. Boeing said the advanced aircraft will be powered by Pratt and Whitney engines.

Reuter

£15m grant for Sudanese

By Our Foreign Staff

BRITAIN HAS granted Sudan £15m in programme aid to relieve its economic problems. The grant is to be used to buy British goods and services including *urgently needed spare parts for* British equipment.

The sectors in which the grant will be used include the railways, *power generation, cement* production, cotton ginneries and equipment for road maintenance and agriculture in the Southern region.

Balance of payments problems and congestion have hindered the purchase of spare parts in many sectors of the economy

£178m foreign boost for Blue Circle

BY PAUL TAYLOR

BLUE CIRCLE Industries, the British cement group, has completed financing arrangements for three major overseas expansion projects together valued at £178m. The projects are in Mexico, Malaysia and Nigeria.

The International Finance Corporation, with the participa*tion of a group of British,* Canadian and U.S. financial institutions headed by the LibraBank, London, is to lend *$100m for the Mexican project,* the largest financing operation ever undertaken by the corporation in Mexico.

Details of the financing arrangements were finalised yesterday and will allow Blue Circle's Mexican associate company, Empresas Toleca de Mexico to proceed with the largest expansion of Mexico's cement industry for five years.

Work is expected to begin shortly on the project which will increase the company's produc*tion* capacity by 2.2m tonnes a year from its present level of 3.4m tonnes a year.

The project includes the construction of a new 1m tonne a year cement plant at Hermosillo in North West Mexico, the expansion and modernisation of Tolteca's eight other existing cement works and the improvement of its ready-mix concrete *facilities.*

Blue Circle Industries has a 49 per cent interest in Empresas Tolteca, and through its consultancy division will be providing technical, engineering and other specialist services to assist in construction and plant operations.

Details of the Mexican project follow closely on the announcement by the group's Malaysian associate, Associated Pan-Malaysian Cement, of plans to expand production capacity of its Rawang works near Kuala Lumpur. Blue Circle has a 50 per cent interest in the company.

The new plant is to be built on the 25-year-old Rawang factory site and will provide 1.2m tonnes of new capacity. It is expected to come on stream in late 1980 making Rawang the most up-to-date and biggest cement plant in South East Asia.

A large part of the financial backing for the project is being provided by a consortium of banks led by the Hong Kong and Shanghai Banking Corporation which is providing £22m in the form of guarantee and term loans.

In Nigeria the Group's associate company, the West African Portland Cement company, in which the group has a 40 per cent interest has recently completed *funding* arrangements for the building of a third kiln at its Shagamu works which will increase capacity by 350,000 tonnes a year.

Work on the third kiln has already started and it is due to be completed in late 1981 bringing the works up to its planned capacity of 1m tonnes a year.

The project is being designed and engineered by Blue Circle's consultancy division which supervised construction of the earlier phases in the project. The group is also a partner with Federal and State governments in the 800,000 tonne a year dry-process plant at Ashaka in Bauchi State which is due for completion in the second half of next year.

Elsewhere, the group's current overseas expansion programme includes a new £42m dry-process works at Berrima in New South Wales, Australia. The plant, run by Blue Circle Southern Cement, in which it has a 42.25 per cent interest, is due for commission shortly.

Blue Circle Industries reported group profits before tax of £47.9m last year, 53 per cent of which was contributed by the company's overseas interests. The group's half-year pre-tax profits until June, 1978, announced in August, were £21.3m compared to £22.3m in the same period last year. Turnover amounted to £198m compared to £177.3m,

Export business helps French machine tool manufacturers weather domestic depression

BY TERRY DODSWORTH

IF SUCCESS in the machine-tool sector were only a matter *of exports, the French industry* would have a case for undiluted rejoicing this year.

Its policy of export-led growth, *prompted by a Government plan* unveiled in 1976, has led to a healthy improvement in its sales overseas. Export revenue is expected to be up by about 25 per cent this year to FFr 1.7bn (£198m), representing a 21 per cent increase in volume to 45,000 tonnes. As a result, France should emerge with a balance-of-payments surplus in machine tools in 1978 worth about FFr 355m.

This is the first time in years that the country has been able *to rid itself of deep-seated* deficits in this sector. But far from leading to recovery in the industry, this improvement overseas has come at a time when overall production is dropping. This is because the French market *itself* has collapsed. It has now sunk to the level of the early 1960s, and is showing no signs of recovery. Output is expected to be about 72,000 tonnes this year, some 16 per cent less than in 1977.

Faced with these stagnant market conditions, the industry has resisted the strong Government pressure for rationalisation *into larger groups. Earlier this* year, for example, the Renault machine tool division, which vies with Ernault-Somua, the sub*sidiary of the Empain-Schneider* group, for the number one position in the French league table, abruptly and conclusively turned down the *suggestion that it* should absorb the troubled Ratier-Forest GSP concern. Since then, the Government has stepped in to put together a FFr 75m package of public and private aid for Ratier-Forest.

The machine tool manufacturers would like to see the Government intervening to stimulate the market at home and provide the base for a continuing push overseas. But, whatever the Government does on this front—there has been vague talk about measures to reduce taxes on industry and on the cost of credit—it is difficult to escape the conclusion that manufacturing industry in general must first overcome its caution over new investment in tooling.

At the *root of* this problem lies an industrial structure in which between 60 and 70 per cent of all machine tools are *reckoned to be more than ten* years old. Much of this is evidently ripe for renewal. But, although the machine-tool manufacturers themselves claim to have developed many of the advanced new tools necessary *for these replacement programmes,* the orders have not been forthcoming.

Overcoming this psychological block is something which the machine-tool producers cannot hope to do themselves. It relates to the general reluctance to invest in more capital intensive methods at a time when these can only add to the present high unemployment levels.

In the meantime, the industry is becoming increasingly anxious over the prospects for *exports next year.* Despite an increase in demand in West Germany and the U.S. export orders for French manufacturers *have apparently been slowing* down in recent months.

This is another reason why manufacturers would like to see *some improvement at home.*

SHIPPING REPORT

Iranian unrest hits market

BY LYNTON McLAIN

THE SEASONAL confusion in oil tanker markets as owners and characters search for favourable contracts prior to the holidays was made worse last week by the renewal of anti-government political activity in Iran.

The tanker chartering market *in the Gulf fell sharply over the* week, with the fall in freight rates much greater than had been expected.

A very large *crude carrier was* fixed by Galbraith Wrightson at the start of the week at Worldscale 66½ to Swedish charterers. The ship was loaded by the end of the week, when rates for a 272,000 deadweight ton vessel, loading at the same time, had fallen to Worldscale 55.

Tanker tonnage was reported to be still queueing at Kharg Island. Oil cargoes were being supplied only slowly and with new tonnage arriving in the Gulf daily, charterers will be *able to select tonnage* at will. The result will be a further fall in freight rates.

The markets in the Mediterranean and African areas also fell last week. The freight rates for vessels over 100,000 dwt were at least 15 points lower than the previous week.

The tanker tonnage lying idle totalled 23.9m dwt at the end of last month, with 197 vessels laid-up. But the tonnage of oil tankers engaged in the grain trade fell last month compared *with October. Twelve ships,* totalling 561,944 dwt were trading in grain last month, a fall of four vessels totalling over 175,000 dwt compared with October.

There was considerable activity on the sale and purchase market last week, particularly in West Germany, where Hansa Lines have put four 12,900 dwt ships, the Hohenfels, Falkenfels, Crostafels and Kybfels on the market. The ships were built 11 years ago and are for sale at around £1.5m each.

The West German Shipping Association said last week that this year had been the worst of the past decade. The association said there were no signs that the market prospects would improve

The German shipping sector had suffered particularly from this rising value of the D-Mark, but there were signs that the underlying depression in shipping had worsened during the year, the association said in its annual report.

World Economic Indicators

UNEMPLOYMENT

		Nov. '78	Oct. '78	Sept. '78	Nov. '77
U.K.	000s	1,338.9	1,360.0	1,378.1	1,432.9
	%	5.6	5.7	5.8	6.1
Holland	000s	209.2	210.2	211.6	204.4
	%	5.2	5.3	5.3	5.3
W. Germany	000s	927.0	901.6	864.3	1,004.3
	%	4.1	3.9	3.8	4.4
U.S.	000s	5,900.0	5,900.0	6,000.0	6,800.0
	%	5.8	5.8	6.0	6.9
		Oct. '78	Sept. '78	Aug. '78	Oct. '77
France	000s	1,344.1	1,284.0	1,157.0	1,100.2
	%	5.7	5.5	5.0	5.2
Belgium	000s	279.9	268.6	270.5	272.6
	%	7.0	6.7	6.8	10.5
		Sept. '78	Aug. '78	July '78	Sept. '77
Japan	000s	1,250.0	1,210.0	1,150.0	1,050.0
	%	2.2	2.3	2.3	1.9
		July '78	April '78	Jan. '78	July '77
Italy	000s	1,658.0	1,450.0	1,520.0	1,692.0
	%	7.5	7.2	8.0	7.9

Decision expected on steel protection plan

BY ROY HODSON

A DECISION is expected soon from Mr. Roy Hattersley, the Prices Secretary, on whether he is prepared to grant an exemption from the Restrictive Practices Act for up to two years to a number of British companies in the reinforcing bars trade.

The companies range from British Steel Corporation and GKN down to small family-owned businesses.

They believe that the future of the industry in Britain—a £100m business even after being savaged by three years of recession—will depend upon the Government allowing them to continue to take collective action to minimise their losses.

At issue is a scheme introduced last year by the British Reinforcement Manufacturers' Association, representing about 75 per cent of the British market in reinforcing bars. Opponents call the scheme a cartel.

In an attempt to restore a degree of order to a cut-throat market during the worst of the steel and construction recession, the scheme exerts control over deliveries and fixes minimum cost prices for reinforcing bars. Members of the association are not allowed to import more than 10 per cent of their steel from non-EEC countries. The scheme also makes provision for penalties in the form of fines, to be paid by member companies which over-produce or cut prices. Association-appointed auditors have powers to inspect the books of member companies.

Sympathy

The first version of the scheme won sympathy among EEC officials in Brussels because it was a way of protecting "downstream" prices of steel at a time when Viscount Davignon, the EEC Industrial Commissioner, was perfecting his own plan for the EEC steel industry. But the Office of Fair Trading in London was doubtful whether the scheme could be said to match EEC policy exactly and deferred judgment for some months.

The reinforcing bar manufacturers, through the association, are now asking Mr. Hattersley to use his powers to exempt the Mark Two version of their scheme from reference to the Restrictive Practices Court for up to two years—by which time they hope the worst of the construction industry crisis will be over.

British Steel and the British Independent Steel Producers' Association, speaking as steel manufacturers, favour the reinforcing bars scheme. Both bodies have told the Government that the scheme has helped to boost sales of home-produced steel and to substitute home products for imports.

But the Department of the Environment, the sponsoring ministry for the construction industry, has heard a number of representations from the industry against the scheme.

Buyers in the construction industry are generally hostile to it. The Institute of Purchasing and Supply has spoken out against it. The National Federation of Building Trades Employers and the Federation of Civil Engineering Contractors are also opposed to it.

In order to exempt the scheme Mr. Hattersley must be satisfied that it is actively promoting increased efficiency in the industry.

The members of the manufacturers' association have seen their business slashed from a turnover of 1m tonnes a year to 0.5m tonnes a year since 1975. But production has risen by between 5 per cent and 20 per cent per employee.

One director of a reinforcing bars company said: "If we are not allowed to operate our joint scheme to manage prices and supplies we will all be plunged into catastrophic losses."

Tory claims BNOC has abused powers over North Sea oil

BY SUE CAMERON

A CALL for a full Government inquiry into allegations that the British National Oil Corporation has seriously abused its "uniquely powerful position," has been made by Mr. Tom King, the Conservative energy spokesman.

Mr. King said in Oxford that Government policy was making oil companies increasingly reluctant to invest further in the North Sea. He said that a fall in oil industry investment would cost Britain £15bn in lost revenue.

There were already signs that the oil companies were starting to "pull out" of the North Sea because of their distrust of the Government. Mr. King emphasised that there could be no improvement in relations between the Government and the industry "while allegations about BNOC's conduct remain uninvestigated."

"By degrees, BNOC has been given ever greater privileges. It now gets prime acreage to itself which is not on offer to others. It held up, quite unreasonably, over 30 agreements vital to the industry's success.

"North Sea licensing has been turned into a grotesque Dutch auction in which companies bid against each other to subsidise this highly privileged State corporation. Parliamentary control over its borrowing has been made a farce because it can borrow abroad freely by mortgaging the country's oil to American banks.

"There is increasing concern about the security of the vast amount of highly confidential commercial information that BNOC requires from the companies. There is concern too about the real impartiality of the advice that it gives to Ministers.

"Serious allegations have been made about the way BNOC's uniquely powerful position has been used. I call on the Government to initiate a full inquiry into these allegations. I pledge that a Conservative Government will thoroughly investigate these matters as part of its top-to-bottom review of the corporation."

Mr. King said the decision by the world's largest oil company—Exxon—not to apply for any of the 46 blocks offered in the sixth round of licensing, suggested that the oil industry had already begun to "pull out" of the UK.

He said that, this year, there were only the number of rigs drilling for new oil that there had been last year. The number of offshore wells drilled in the peak season had fallen from 22 last year to only three this year.

Mr. King accused Mr. Anthony Wedgwood Benn, the Energy Secretary of turning Britain into an area "of political instability" as far as investors were concerned. This had been done by a "steady process of bad faith, broken pledges and arm twisting," with the aim of giving Mr. Benn more power.

Mr. King referred to increases in the petroleum revenue tax proposed in August. These had become "a question of Mr. Benn's political prestige." Mr. Benn was engaged in a power struggle with Mr. Callaghan, and this meant that Ministers who might want to scrap the tax proposals would be unable to do so.

Car insurance premiums up 4.7% in three months

BY ERIC SHORT

MOTOR INSURANCE premiums have risen on average by 4.7 per cent over the past three months, according to the latest report from Quotel Insurance Service.

The November value of the company's motor insurance index stood at 144.6, compared with 138.1 in August. This is equivalent to an annual increase of 18.8 per cent—more than twice the corresponding rise in the retail price index.

Motor insurance premiums have thus risen on average by 15.3 per cent per annum since the index started in May, 1976.

Quotel operates an independent computerised motor insurance rate service for UK insurance brokers, monitoring the premium rates of over 40 motor insurance companies and Lloyd's syndicates.

Its index series shows the changes in average premium rates in five different areas of the UK and for five types of cars. They represent the rate charged for comprehensive cover for a 35-year-old driver eligible for full no claims discount.

The regional analysis over the three-month period showed that there was no significant difference in premium increases between the five regions. This indicates that motor insurers have been applying their recent rate increases uniformly across the country.

The analysis by types of car, however, indicates that there have been higher increases in premiums for the smaller cars than for larger models.

But since the start of the index series, the Datsun 120YFLN has had the largest premium rate increase of 59.2 per cent, while the Austin Mini 1000 has only had a 33.5 per cent rise.

Medical Defence Union in court test case

THE MEDICAL Defence Union will start a test case in the High Court today to find whether it should be treated as an insurance company or if it can continue to run its mutual indemnity fund in the way it has done for many years.

Professional bodies, who are getting increasingly involved in indemnity problems for malpractice by their members, will be watching the outcome of the case.

The rising cost of malpractice claims has made commercial insurers raise their premiums for this type of cover, and the idea of self insurance is attracting attention in many quarters.

But the amount of solvency margins which a mutual fund like the self administered Medical Defence Union has to carry is under scrutiny by the Department of Trade, and might affect future developments in this direction.

With 85,000 members, it has reserve funds of more than £4.4m, but at least £3m of this has to be set off against outstanding claims. It might therefore have to raise members subscriptions, which from January 1 will be £70 a year, if the Department of Trade insists on a different solvency attitude which might apply under current insurance legislation.

The union will be represented by Mr. Robert Alexander QC in a two-day hearing before Mr. Justice Megarry in the Chancery Division. The Department of Trade are the respondents. The union is seeking a declaration that it does not have to be regarded as an insurance company.

Type system can set Chinese alphabet

BY JOHN LLOYD

MONOTYPE CORPORATION, the typesetting company in which the National Enterprise Board and Barclays Bank share a controlling interest, has developed a phototypesetter and keyboard system which can set the Chinese and Japanese alphabets.

The company will market the phototypesetting system for about £100,000, and the keyboard system for about £10,000. It believes it has a potentially enormous market for these systems, especially in China, where the 3,000 book and newspaper publishing houses still set type by hand.

Japanese publishers have a keyboard system, but it is said to be considerably more complicated than the Monotype one.

The new system as yet unnamed—is a merger of two technologies. The first is Monotype's Lasercomp typesetter, developed by the engineering department of Cambridge University.

Ideograms

The second is a keyboard which enables ideograms to be built up by a sequence of keystrokes in the same order as they are written. The keyboard is the outcome of five years of research by Professor S. C. Loh, of the Chinese University in Hong Kong.

Lasercomp selects, sizes and assembles ideograms line by line, they are then exposed on film or sensitized paper.

The two technologies were married by Professor A. S. Douglas, of the London School of Economics, and the adaptation of the lasercomp typesetter to allow it to cope with ideograms was made under the direction of Professor Brian Gaines, deputy chief executive and technical director of Monotype.

The result is a system which can operate with 240 keys, considerably more than the 50 or so on a Western typewriter using the Roman alphabet, but far less than the 2,000 keys required on Japanese systems.

Orders

Investment by Monotype in the modified typesetter is reckoned by Professor Gaines to be comparatively small, at about £200,000.

Professor Gaines thought it likely that it would attract large orders in China and in Japan. Marketing in Japan would probably be done in partnership with a Japanese company.

The ideogram typesetter was launched at the weekend during the 11th Chinese Language Printing Assembly in Hong Kong. Dr. Peter White, chairman of Monotype, said he was particularly pleased to announce the breakthrough at a time when agreements on science and technology had been concluded between the Chinese and British Governments.

"We believe there is a large market for such a system. We are ready to produce it, and initial deliveries should be made next year."

Christmas trees may be scarce

Financial Times Reporter

SUPPLIERS ARE finding it hard to meet this year's increase in demand for real Christmas trees.

Growers say one of the main reasons for this is that they cut planting during the early 1970s when the boom in tinsel trees was at its height. The growing of trees was also hit by the 1976 drought. But now that people prefer the real thing again, supplies are lower than they have been for some years.

Growers and the greengrocery trade—the chief retail outlet for the spruce trees—believe the return of real Christmas treets to public favour is a matter of economics.

It is expected that about 3m spruce Christmas trees will be sold this year, at prices varying from 70p to £1.20 a foot.

Christmas calls service begins

A BOOKING service for Christmas international phone calls that cannot be dialled by customers begins today.

Bookings for operator-connected calls between 6 pm on Christmas Eve and 8 am on Boxing Day will be accepted by the Post Office on each weekday between 8.30 am and 5.30 pm until December 21, and from 8.30 am to 1 pm on December 22—but not at the weekend December 16-17.

Attack is planned on NEB borrowing

BY OUR INDUSTRIAL EDITOR

THE LINE of attack to be taken by Conservative MPs against the new Industry Bill which raises the National Enterprise Board's borrowing limit to £4.5bn was indicated last night by one of the Conservative Party's front bench industrial spokesmen.

Mr. Norman Lamont, Conservative MP for Kingston-upon-Thames, said that the board should produce a prospectus "to justify its request for more money and to indicate the uses for which it will be put." This had been done recently by the British Steel Corporation.

"We are completely opposed to taxpayers' money being given to the board so that it can go on a spending spree, nationalising small companies," he declared.

The Government should not be allowed to "smuggle in funds for the board under the guise of helping British Leyland and Rolls-Royce."

Mr. Lamont was also concerned about the high level of the limit, which is an increase on an existing top figure of £1bn.

"Little attempt seems to have been made by the board to realise funds by selling to the private sector some of its profitable companies like Ferranti and Fairey," he said

Money supply likely to prove steady

BY DAVID FREUD

A STEADY or marginally higher money supply last month is likely to be confirmed in official statistics due on Thursday.

Such an outcome would be consistent with the recent banking figures for the month to mid-November, which showed that the eligible liabilities of banks fell by 0.5 per cent.

These, the main deposit funds of banks, are an important constituent of the money stock and provide a strong pointer to the outcome of the November money supply.

Other official statistics due this week include retail sales, industrial production and retail prices. The Bank of England Quarterly Bulletin, released on Thursday, should provide an insight into the official view of how the economy is developing.

Drop in number of deaths on railways

THE NUMBER of train accidents and railway deaths dropped last year, according to the report of the Chief Inspecting Officer of Railways published today.

The report says the number of deaths was down to 84—13 fewer than in 1976. The number of train accidents fell from 1,122 in 1976 to 1,056 last year.

The number of derailments also continued to fall, although the number of freight train derailments rose from 146 in 1976 to 155. There were also 55 collisions—one more than in 1976.

Although the total of 455 train accidents caused by circumstances outside the railways' control remained at about the same level as in 1976, the number of accidents caused maliciously went up from 156 to 174.

Last year 28 railway staff were killed, two fewer than in 1976, and the annual average fatality rate was 18 per 100,000 at risk for the industry as a whole—compared with 3.9 per 100,000 for manufacturing industry and with 17.9 for the construction industry.

The figure for permanent way and signal maintenance staff, whose duties take them onto running lines more frequently than other employees, is 48 per 100,000.

* *Railway Accidents: Report to the Secretary of State for Transport on the Safety Record of the Railways in Great Britain during the Year 1977; HMSO; £1.75.*

Changes in BL management

BL points out that the management changes announced on Friday did not affect the position of Mr. David Andrews, who remains executive vice-chairman responsible for finance and central services.

Industry chiefs attack worker-director plan

BY OUR INDUSTRIAL EDITOR

THE INSTITUTE of Directors has today launched a fresh assault on the Government's plan to produce an Industrial Democracy Bill next year containing statutory rights on employee participation and worker-directors.

Mr. Jan Hildreth, director general of the institute, has written to his members asking them to help campaign against the proposals by writing to their local newspapers and MPs.

He said that the proposals were a threat to the prosperity of the whole nation. They showed a misunderstanding by the Government of the "nature of business and of the role of the Board.

"The institute can never support straightjacket legislation that gives exclusive rights in the boardroom, to one group of employees, the trade unionists."

The many unanswered questions

NEWS ANALYSIS

DOUBTS ABOUT HOW EMS WILL WORK

BY PETER RIDDELL

SEVERAL MAJOR questions about how the new European Monetary System will work in practice were left unresolved by the EEC heads of Government at their recent summit. These points will have to be sorted out in the next few days at a series of meetings of senior officials, bankers and finance Ministers before the scheme starts on January 1.

The questions are of direct importance to all nine EEC countries, even those, such as the UK, which are not joining the exchange rate mechanism from the outset. Indeed the possibility that Italy and Ireland will also not participate initially in the currency regime has complicated discussions of the details.

The unresolved issues turn on the composition and role of the new European Currency Unit (ECU), which is central both to the exchange rate links and the credit facilities.

The most immediate problem—for the UK as well as for the participants—is about the operation of the very short-term central bank swap facilities, which are supposed to underpin any intervention needed to keep the currencies close together.

The EEC leaders decided that the means of settlement of this facility should be the issue of ECU against the deposit of 20 per cent of the gold and dollar reserves currently held by central banks.

Countries not participating in the currency scheme can join this operation if they wish. The attraction for the UK would be to obtain access to EEC currencies would could assist in the goal of a stable sterling exchange rate.

It is clear that the central banks retain ownership over their gold and dollars, so that in no sense is there a pooling of reserves, but thereafter the operation is more uncertain.

It seems that a country will receive a ticket—the ECU—for Community currencies in exchange for gold and dollars. But this is only for use in settling intervention debts, and not as some form of new security offered for the purpose of reserve diversification.

This raises the problem of who takes the exchange risk, since the ECU may change in value against the gold and dollars. The latter are still legally owned by the participant countries. They have merely deposited them temporarily as part of the revolving swap arrangements.

A related uncertainty is what form any remuneration of the ECU should take. It is fairly clear that the unit will have to offer some sort of interest rate—as does the Special Drawing Right unit of the International Monetary Fund. It is not, however, certain how this should be calculated, and what should happen to income from short-term dollar holdings, such as U.S. Treasury Bills, deposited in return for the ECU.

The valuation of gold presents especially thorny problems. It is likely that some formula related to the open market price will be used—possibly at a discount below this level—even though at present countries value on a widely differing basis. West Germany, for example, still values its gold at the historic price of $42.22 an ounce.

This in turn has raised worries—especially in the U.S. Government and the International Monetary Fund—about a revival in Gold's monetary role, in direct contrast to the public commitment of all the countries. There is also a related worry that the expansion of the EEC credit facilities will undermine the position of the IMF.

These issues have to be sorted out before the EEC can move on to develop a fully-fledged European Monetary Fund in two years' time, as envisaged in the original Bremen proposals in July. This would involve the use of the ECU as a reserve asset as well as a means of settlement.

The original Bremen plan involved the creation of ECUs though this was not mentioned in the Brussels statement.

The ECU is composed of all nine EEC currencies with the weight of each determined by the distribution of trade within the Community. At present, sterling has a 13.2 per cent share, and the Deutschemark a 33.0 per cent stake.

The ECU also acts as an indicator in the exchange rate scheme of whether a currency is getting out of line. But if three currencies accounting for 24.1 per cent of the unit are outside the currency regime and freely floating, it will become much more difficult to devise a workable intervention policy.

This is because if these three currencies float downwards, pulling down the ECU, there will be strains on the currencies linked to each other within what is called the parity grid part of the system.

The problem might have been soluble in practice if only sterling had been outside, since the UK intends to keep the pound close to the currencies in the system. The possible absence of Italy is a complicating factor.

It has not yet been decided how to solve this problem. One widely favoured solution would be to freeze in the ECU at their present parities the exchange rates of currencies outside the system.

It is intended to review the weightings of each currency within the ECU after six months, and thereafter every five years or, on request, if the weight of any currency has changed by a quarter.

A further unresolved problem is whether a country whose currency diverges from the rest would be able to demand settlement of intervention debts due to it from another country whose exchange rate was not out of line, but whose currency had been used in the process of intervention. This question of innocent or involuntary debt is—at Italian insistence—due to be studied in a review of the scheme after six months.

Tesco store to sell Lunn Poly holidays

BY TERRY GARRETT

TESCO, the supermarket group, has linked with Lunn Poly, the holiday arm of the Thomson Organisation, in a pilot scheme to sell holidays through Tesco's Pitsea superstore.

A travel bureau will be opened on Thursday by Lunn Poly in the new 82,000 square feet store in Essex, which cost £4m to develop and started trading last July.

Mr. Ian MacLaurin, Tesco's managing director, said yesterday that he would be able to tell how successful the trial scheme had been after the peak holiday booking season next month and in February. Then a decision will be taken whether to extend the travel agency to other Tesco stores.

If the trial proves successful, Lunn Poly bureaus could be opened in 50 or 60 of the large Tesco stores—those with an area of 30,000 sq ft, though there is no intention at the moment to expand the holiday service to its smaller stores.

As first, the financial arrangement between Tesco and Lunn Poly will be a straight-forward rental charge for space in the Pitsea store. If the scheme develops, a commission for Tesco may be included on the number of holidays sold.

Tesco already has four outside retail groups operating sites within its Pitsea store. These are W. H. Smith, Dixons Photographic, Lilley and Skinner the footwear retailer and Butte Knit, which sells ladies fashionwear. In all four cases Tesco offers the space on a rental charge without a commission on turnover.

Mr. MacLaurin said that Tesco had been looking at the sports and leisure areas for some time, and there were plans to sell more sports goods in the future, perhaps on a concession basis with an established retailer.

Government to reveal plans for South East

BY PAUL TAYLOR

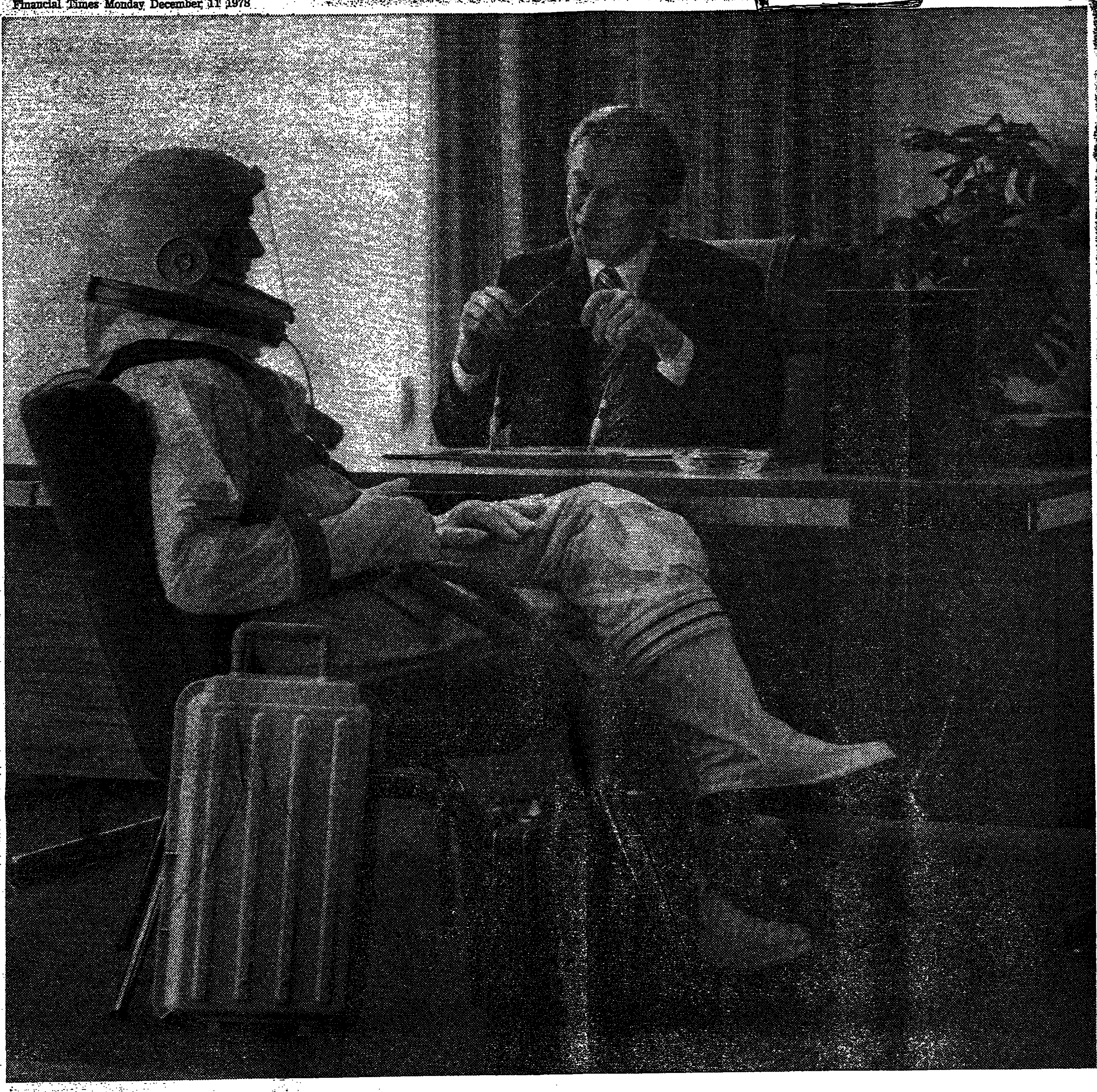
THE GOVERNMENT will today announce its long-term planning strategy for the South East of England.

The proposals are a response to the Strategy for the South East Review, prepared jointly by the Government, the Standing Conference on South East Planning and the South East Regional Planning Council, published in October 1976.

The statement, to be made by Mr. Peter Shore, the Environment Secretary, is likely to concentrate on new developments, such as the impact of the Inner Urban Areas Act on the longer term strategy for the South East.

Changes in Government policy since the initial strategic plan was prepared in 1971 have made it necessary for both the review and the re-statement of priorities.

The statement is expected to deal in detail with such matters as transport policy, housing, new town developments and employment. However, in line with Mr. Shore's emphasis on flexibility, it is likely to lay down guidelines rather than firm policies.



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UK NEWS — LABOUR

NUJ to seek extra help from printers

BY ALAN PIKE, LABOUR CORRESPONDENT

NATIONAL UNION of Journalists leaders will this week appeal to print union general secretaries to give more support to the strike by editorial staffs on provincial newspapers, now in its second week.

The print unions will be asked to join the Transport and General Workers' Union in instructing their members not to *cross journalists' picket lines. In* some areas, van drivers, members of the Society of Graphical and Allied Trades, are refusing to cross picket lines and the National Graphical Association has told it smembers to handle only material processed by editors.

As the NUJ announced its efforts to gain increased print *union support, it claimed that* there were growing signs of newspaper managements getting ready to offer their *staff more* than the conditional 9 per cent *proposed by the* Newspaper Society, the national organisation representing the provincial publishers.

Mr. Ken Ashton, NUJ general secretary, said yesterday that journalists in the London office of the Birmingham Post and Mail had signed an agreement which would give most of them increases of £20 per week—the *amount* the union is seeking for all its 9,000 provincial members.

Special case

"We have evidence from all parts of the country of companies ready to offer more than the Newspaper Society's proposed £6 a week increase. But they must persuade the Newspaper Society to come back and *negotiate realisically*. We are not going in for local setlements," said Mr. Ashton.

The *Newspaper Society* has said it is prepared to pay increases worth about 9 per cent, but only if the Government agrees to make provincial journalists a special case under pay policy.

A written submission on the special case argument is expected to be made by the society to Mr. Albert Booth, Employment Secretary, this week.

The NUJ said that the strike stopped publication of sports editions of provincial evening newspapers *in 25 towns on* Saturday. "This is the most crippling blow we have yet inflicted during *the strike," said* Mr. Ashton. Saturday sports papers were, in many cases, the best selling editions of evening papers in the provinces.

The union is not paying official strike pay to the provincial strikers, but will today be making *payments of* £20,000 to needy cases from a hardship fund.

Bakers' pay vote expected today

THE RESULTS of branch ballots on whether to call off the *five-week bread strike* are expected to be known today.

Members of the Bakers, Food and Allied Workers' Union are voting on an offer worth just over 14 per cent. It was made during three days' talks with employers at the Advisory, Conciliation and Arbitration Service last week.

The union executive is putting *the offer without any recommen*dation, and there are indications of split voting around the country.

In Liverpool, for instance, two of the three large bakeries involved in the action—Scott's and Mother's Pride—voted to continue the strike unless directed otherwise by the union. But the third, Cousins, decided *to return for* last night's shift.

The strike began after the union rejected a pay and productivity *offer worth 11 per cent* from the Federation of Bakers. The workers wanted a 26 per cent rise.

Whenever the action is called off, there is certain ot be bitterness towards union members who have already returned to *work*, and helped *employers* maintain a substantial proportion of bread supplies in spite *of the strike.*

Pay pact with TUC 'would not maintain differentials'

BY OUR LABOUR CORRESPONDENT

THE PROPOSED pay policy agreement between the Government and TUC which was rejected by the TUC General Council would have done nothing to help maintain or restore differentials, Mr. John Lyons, general secretary of the Engineers and Managers Associa*tion, said yesterday.*

"Once again it concentrated on the subject of low pay to the exclusion of differentials, a distortion which continually and repeatedly causes endless trouble in industry," Mr. Lyons writes in the journal of his union's Electrical Power Engineers Association.

It was necessary for the low *pay and differentials issues to be* dealt with together. The TUC annual *Congress at Brighton in* September had passed a resolution which specifically recognised the need for the restoration where appropriate of eroded differentials.

This was not the first time the General Council had ignored the question "*notwithstanding Con*gress resolutions to the contrary."

In recent years the TUC had consistently *refused to do or say* anything meaningful about differentials in pay discussions with the Government. The pay policies of 1976 and 1977 took advantage of the country's economic difficulties to try to bring about a reduction in *differentials.*

"There is absolutely no ques*tion, therefore*, that TUC pay policy is one-sided.

"The interests of millions of members *of the TUC who* entered industry and belong to unions on the basis that they would be reasonably rewarded for training or knowledge, or the acceptance of higher responsibility, or the exercise of skills, are not being adequately repre*sented.*"

It was "simply not acceptable that their interests continued to be overridden year after year," Mr. Lyons said.

Engineers' pay settlements 'average 15%'

By Our Labour Correspondent

PAY SETTLEMENTS for white collar engineering workers were averaging 15 per cent in spite of the Government's 5 per cent policy, Mr. Ken Gill, of the Amalgamated Union of Engineering Workers, claimed yesterday.

Mr. Gill, general secretary of TASS, the union's white collar staff section, said on the London Weekend Television programme, Weekend World, that some settlements had "gone up beyond 20 per cent".

"I would be surprised if many general secretaries would be very pleased with themselves if they could report that the 5 per cent limit was being observed," said Mr. Gill, a Communist and staunch opponent of the pay *restraint policy.*

Adherence to the 5 per cent limit would suggest that the union was not properly serving its members. "I think that, as a round average, we're knocking about 14 or 15 per cent."

Pitmen become safety guards

ABOUT 200 pitmen in north Notts have been enlisted as safety watchdogs in the area's 15 collieries.

The National Coal Board said yesterday that, under the new health and safety regulation, they have become part-time special inspectors with the job of making regular probes into their pits to pinpoint any hazards and suggest improvements. An official said: "Now there will be more pairs of eyes keeping a look out for safety and it is one subject where you can never have too many."

Boilermakers' leaders continue link talks

BY ALAN PIKE, LABOUR CORRESPONDENT

THE BOILERMAKERS Society leadership is continuing with discussions on a possible amalgamation with thhe General and Municipal Workers' Union—in spite of the idea being rejected by delegates to their conference earlier this year.

In a progress report on events since the Tenby conference, Mr. John Chalmers, the general secretary, *says the municipal* workers' proposals for a new union might not be "bettered by any other propositions that may come along."

He *says* the union would, *therefore, "continue in our* inquiries with the GMWU" simultaneously with approaches which had been made by the Amalgamated Union of Engineering Workers.

The engineering workers would very much like a merger *with the boilermakers, one of the* premier craft unions, and approaches have been made by both its engineering and constructional sections.

There is no doubt that the boilermakers were more attracted to a merger with the *GMWU, in which they would* have formed the basis of a skilled workers organisation, than with the AUEW. Their delegates, however, were reluctant to merge *the craft identity of the organi*sation with a general union.

Mr. Chalmers says in his re*port that a meeting of district* delegates last month also suggested that the boilermakers should consider approaches to the Transport and General Workers' Union, the Electrical and Plumbing Trades Union and the Society of Metal Mechanics.

LOCAL AUTHORITY BOND TABLE

Authority *(telephone number in parentheses)*	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barnsley Metro. (0226 203232)	12	½-year	250	3-7
Barking (01-592 4500)	11¾	½-year	1,000	4-8
Barking (01-592 4500)	12¼	½-year	5,000	4-6
East Lindsey (0507 5801)	12⅛	½-year	2,000	3
Knowsley (051 548 6555)	12½	½-year	1,000	6-10
Manchester (061 236 3377)	12	½-year	500	5
Poole (02013 5151)	11¾	½-year	500	2-3
Poole (02013 5151)	12½	½-year	500	6-7
Poole (02013 5151)	12¼	½-year	500	5
Redbridge (01-478 3020)	12	½-year	200	4-5
Sefton (051 922 4040)	12	½-year	2,000	2-3
Wrekin (0952 505051)	12¼	yearly	1,000	5-10

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*

PD POLLUTION CONTROL, part of the Powell Duffryn Group, have a *total of more than* £300,000-worth of contracts which feature lightweight materials in sewage *treatment equipment.* Both Wessex and Anglian Water Authorities and Hallam Fields *Water Reclamation Works* have specified equipment of this type.

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AMSTERDAM DEPOSITARY COMPANY N.V.

Amsterdam, December 5th, 1978

NICHII COMPANY LIMITED

NOTICE TO EDR HOLDERS

Further to notice of October 24, 1978 the Interim Dividend of Yen 8.50 per share has been converted to U.S. Dollars and amounts to US$42.91 gross per EDR. EDR Holders should now present coupon number 4, in order to claim the above dividend at either the office of the Depositary:
The Chase Manhattan Bank N.A.,
Woolgate House,
Coleman Street,
London EC2P 2HD.
or at the offices of the Depositary's Agent:
Chase Manhattan Bank
Luxembourg S.A.,
47 Boulevard Royale,
Luxembourg.

In respect of presentations at both the above offices Japanese Withholding Tax at the rate of 20% will be deducted from the gross amount of the dividend unless a form of affidavit, satisfactory to the Depositary, is received evidencing residence in a country with which Japan has concluded a tax treaty or agreement providing for a lower rate of tax. In such cases the lower rate of tax would then be applied.

In respect of presentations at the office of the Depositary they should be accompanied by the usual affidavit of non-residence in the United Kingdom to enable distributions to be made free of United Kingdom Tax.

THE CHASE MANHATTAN BANK N.A.
London, as Depositary.
December, 1978.

BANQUE DE PARIS ET ET DES PAYS BAS

FLOATING RATE NOTES 1980
US$25,000,000

The interest rate applicable to the above loan in respect of six months' period of 182 days commencing 11 December 1978 has been fixed at 12¼%
so that accordingly the interest payable in respect of such period (calculated on the basis of a year of 360 days for the actual number of days elapsed) will be made on 11 June 1979 at US$61.93055 per coupon

The Fiscal Agent
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pour le Grand Duche de Luxembourg

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Floating rate notes 1976/81

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For the financial year ended 30th September 1978 a dividend of DM 1.40 is payable from the 15th November 1978 against presentation of Coupon No. 23.

The dividend is made up as follows:—

(a) Dividend and Interest	DM 0.56
(b) Realised Capital Gains	0.54
(c) Proceeds from Sale of Rights	0.30
	DM 1.40

Between 15th November 1978 and 31st January 1979, shareholders have the option of reinvesting the proceeds of the dividend into shares of the Fund at a discount of 3 per cent on the issue price. (Authorised Depositaries acting on behalf of U.K. residents are reminded of current Exchange Control regulations concerning the exercise of dividend options).

Coupons may be presented at the offices of Kleinwort, Benson Limited, 20 Fenchurch Street, London EC3P 3DB the Fund's domiciled bank in the United Kingdom. Copies of the Annual Report *may also be obtained from the above address.*

LEGAL NOTICES

No. 003855 of 1978

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In *the Matter of* ARIES PRODUCTS (CLOTHING) LIMITED and in the Matter of The Companies Act 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 4th day of December 1978, presented to the said Court by MAYFAIR FASHIONS LIMITED whose registered office is situate at Unit 9a, Sterling Industrial Estate, Rainham Road South, Dagenham, Essex, Clothing Manufacturers, a Creditor of the above-named Company, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 22nd day of January 1979 and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a *copy of the Petition will be furnished* by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

ASHLEY KALMS TRAVELL & CO.,
56 London Road,
Southend on Sea,
Essex, SS1 1QQ.
Ref: DW/RD/19978. Tel: 0702 354455.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to the above-named notice in writing of his intention so to do. The notice must state *the name and address of the person, or,* if a firm the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 19th day of January 1979.

PUBLIC NOTICES

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA VARIABLE RATE REDEEMABLE STOCK 1982

The Council of The Royal Borough of Kensington and Chelsea announce that the half-yearly payment of interest due on 9th June, 1979, on the above Stock will be at the rate of £6.4375 (less income tax) per £100 of Stock.
8th December, 9178.

CLUBS

EVE, 159, Regent Street. 734 0557. A la *Carte or All-in Menu. Three Spectacular* Floor Shows 10.45, 12.45 and 1.45 and music of Johnny Hawkesworth & Friends.

GARGOYLE, 69, Dean Street, London, W.1.
NEW STRIPTEASE FLOORSHOW
"AS YOU LIKE IT"
11-3.30 am. Show at Midnight and 1 am Mon.-Fri. Closed Saturdays. 01-437 6455

Building and Civil Engineering

£17m contracts awarded to French Kier

THREE contracts adding up to a massive £17.4m have been won by French Kier Construction.

The first for just under £10m has been awarded by the Essex River Division of the Anglian Water Authority and is for *floodwalls.*

These will take two years to complete and form part of the Thames tidal defences *being* provided by the Anglian Water Authority and the Thames Water Authority for the protection against flooding of the northern bank of the River Thames between Barking Creek and Leigh-on-Sea. Similar work is proceeding *on* the opposite river bank.

Floodwalls under this contract are designed to prevent flooding and resist a 1 : 1,000 years return surge in the Thames under the conditions anticipated in AD2030.

Contract specifications consist of the construction of that part *of the defences which lies along* the frontage between Shell Haven and Fobbing Horse, in*cluding the Mobil Oil Refinery* frontage.

Other tasks involved include a reinforced concrete floodwall about 2,000 metres length founded upon the existing embankment, comprising approximately 8,000 cubic metres of concrete, together with about 130,000 cubic metres of landward fill. A steel sheet pile floodwall clad with reinforced concrete, about 4,000 metres length, driven to depths up to 21 metres and comprising approximately 10,000 tonnes of piles and 7,500 cubic metres of concrete, is specified.

The second contract, worth £7¼m has been awarded to French Kier Construction by E.F.G.H. *for servicemen's houses in* East Anglia. The work comprises the construction of 425 houses for use *by servicemen based at the* United States Air Force bases at Lakenheath and Mildenhall. The houses will be at *Newmarket* and Soham, and will utilise the frameform system of construction.

The developer for this contract, the largest housing contract ever awarded by the American Forces in the United Kingdom, is E.F.G.H., which is jointly owned by the Trafalgar House Group and the London *Mercantile Group. Work* starts next month and will take approximately 18 months to complete.

Final of the contracts has been awarded by the Property Services Agency, Department of the Environment. Valued at £258,962 *it is for the construction of* 4 igloos, a concrete building and associated works at RAF Lakenheath, West Suffolk.

£6m for Mears

TWO NEW roll on/roll off berths *are to be built in Dover's eastern* docks by Mears Construction under an award valued at £6m.

The site is that of the *old* hoverport built *by* Mears in 1969 and now superseded by the new international hoverport recently completed by the company.

The new contract requires the reclamation of 25,000 square metres of land from the sea and *the construction of two new piers* in addition to the portal dolphins with associated approach ramps and bridges.

Shepherd gets three jobs

THREE DESIGN and build contracts together worth nearly £3m have gone to Shepherd Building Services.

Biggest is a £1,560,000 project at Chelmsford, where the company is putting up a *new depot* for Rowntree Mackintosh on the site of the old rail goods section. The development covers more than 7,300 *square metres* on a 3.8 acre site and includes a warehouse with rail bay, a plant room complex *for* sub-station air conditioning and sprinkler pump house, two-storey offices and works amenities and a vehicle maintenance depot. Completion is *for next August.*

Also for Rowntree Mackintosh, Shepherd will design and construct *a new factory, offices and* car park on the Grangestone Industrial Estate near Girvan, a contract worth nearly £1.3m. *This plant will manufacture* chocolate crumb, vital ingredient for the production of milk chocolate.

Contractors are aiming to finish the advance work in time to allow plant installation to be started by May, next year.

Under the third scheme Shepherd will extend a building originally designed and constructed by it last year at the Firth Road, Lincoln, premises of Ruston Gas Turbines, part of the GEC group. The £186,000 contract involves the provision of *a further six testing and develop*ment bays of two-storey construction and is due for completion *in March.*

Busy in West Country

CONTRACTS worth more than £2.5m have been won by E. Thomas and Company of Truro and Newton Abbot, part of the Mowlem group.

Largest, worth £1m, is for a new 40,000 square feet Tesco *store at Camborne, Cornwall.* The store is to be built on the former site of the Camborne School of Mines and will have selling area on the ground floor, bulk storage and preparation at lower ground-floor level and staff areas and plant rooms on the first floor. Work will start in January 1979 and will last 12 months.

Architects are Inskip and Wilczynski.

A £340,000 contract from Devon County Council will provide a new single carriageway *bridge with footpaths on a busy* part of the Barnstaple-Ilfracombe road. The contract involves the *demolition of the old, horizontal* swing bridge and the construction, on the same site, of a new two-span 82 feet by 39.4 feet bridge of pre-cast concrete beams on reinforced concrete piers. Completion is due in May 1979.

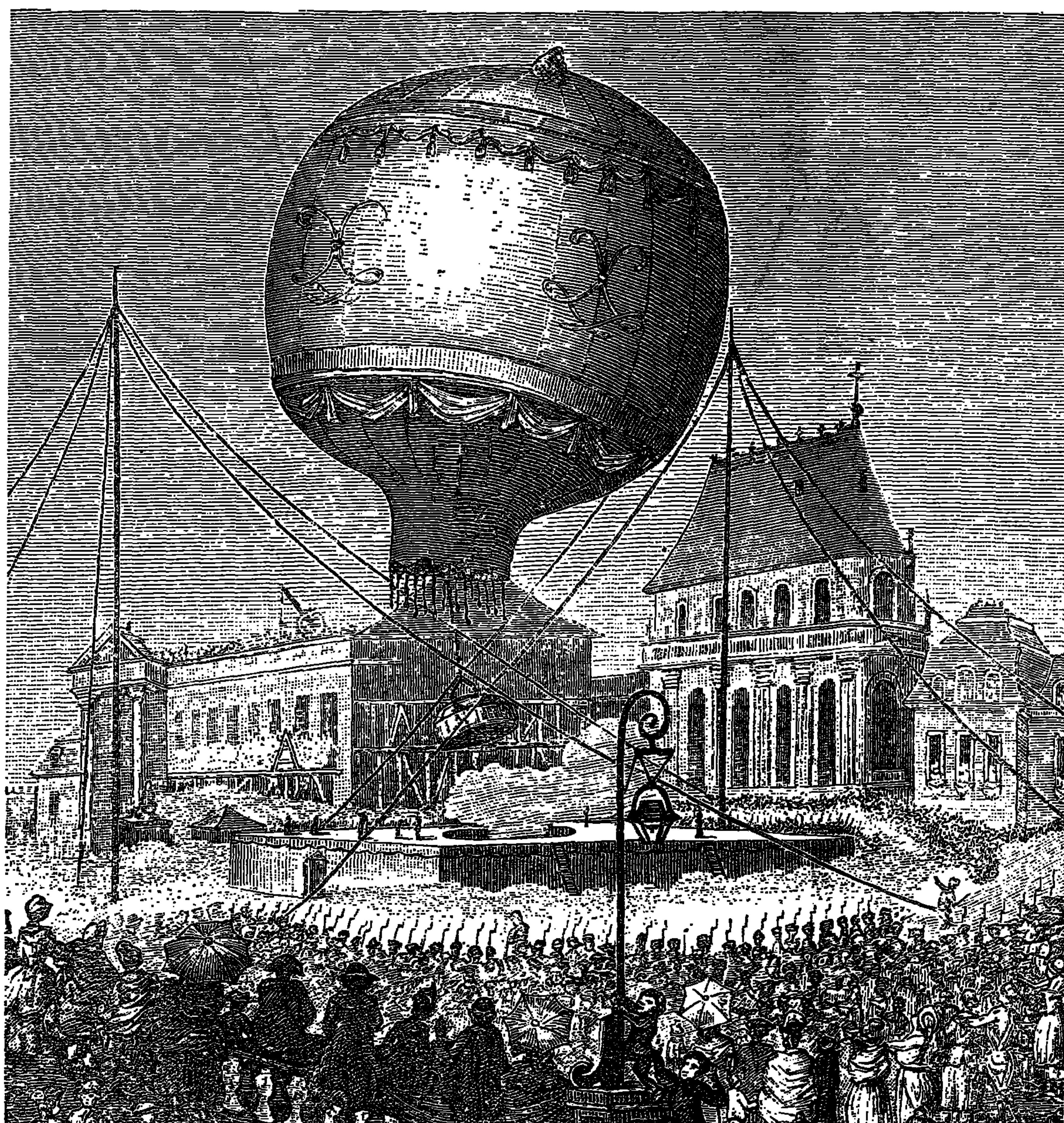
Largest of the two housing contracts is worth £350,000, for the South Hams District Council, at *Lower Weston,* Totnes. This comprises eight three-bedroom and 10 two-bedroom houses, together with two two-bedroom and six one-bedroom bungalows.

At Chudleigh, *South Devon,* a £125,600 contract from the Teignbridge *District* Council provides for the construction of 14 one-bedroom flats for the elderly, together with drainage, parking spaces and other external works.

At Ashburton, South Devon, £312,000 is being spent by the South West Water Authority to divert flood water from the river Ashburn under the town to avoid flooding in Ashburton town centre.

The works comprise approximately 656 feet of 6 feet diameter tunnel, part to be driven in compressed air, together with approximately 328 feet of 6 ft-diameter *pipeline in* an open trench with reinforced concrete inlet and outfall structures.

Other work includes factories at Hayle and an extension to the local hospital as well as modernisation of a hangar at RNAS Culdrose.



Wimpey's £7m at home

IN A series of contracts for office buildings and factories, Wimpey has recently won work worth over £7m.

Largest of the group *is* the £2.7m job to contract a new four-storey office block for Kent County Council, tie this block to an existing warehouse and convert that into offices.

The block will be a four-storey steel frame structure built in the Conder Kingsway dry envelope *system.*

Welsh Development Agency has awarded a contract worth *£1.2m for the construction of* 12 advance factories at Splott, Cardiff.

Manchester office of the company is to build for Salford Corporation a total of 114 council dwellings at a cost of £1.3m.

Included in further contracts worth over £2m is one in excess of £1.1m for the construction of a steel framed high bay warehouse at Kingfisher Drive, Covingham, Swindon for Roussel Laboratories.

Two further contracts, each worth about £½m, are for the Yorkshire Water Authority, and the Michelin Tyre Company near Aberdeen.

Protection of steel

BY THE end of 1979, ½m litres of paint will have been used to protect the *structural* steelwork in the new £250m aluminium smelter complex at present under *construction in Dubai.*

The £300,000 contract to supply the paint and supervise all sub-contract painting by UK and Continental steel fabricators has been won by the recently formed Protective Coatings Division of International Paint, London.

Painting has already begun at the UK works of Conder *Southern and Redpath Dorman* Long, where eventually 7,000 tons of steel for the construction of the pot rooms and over 2,000 tons of steelwork for the cast house will be coated with a special combination of epoxy and epoxy ester-based paints. All other steelwork fabricators involved with the project have also been instructed to use International Paint.

Compact compressors

COMPAIR is launching two improved BroomWade RA packaged compressors. Both new models, the RA60 and RA75 air cooled units, are physically smaller than their predecessors, *occupying some 26* per cent less floor space, yet output and performance remains at the same level—109 and 130 litres/sec (230 and 275 cfm) at 7 bar (100 psig) respectively. Low and high pressure variants of both these units are available.

Compair Industrial, BOB7, Broomwade Works, High Wycombe, Bucks. 0494 21181.

Moving with the times

HIGGS AND HILL has started a campaign to step up its volume *of management contracting work,* now accounting for around 25 per cent of its building division's turnover.

The company, which has more than 100 years of traditional tendering experience, believes an extension of its management fee service—operated at home and abroad for many years—is now due.

Mr. Brian Hill, managing director of the £100m a year construction group, says the launch*ing of the new initiative is timely* in that clients and the construction industry itself are fast realising that the traditional methods of operating are not necessarily appropriate or economic in time or cost.

Higgs and Hill, which points *to the recently completed* £45m National Westminster Bank management services centre in London *as a good example of* the management contract approach, says the early development of a contractors' management skills can go a long way in overcoming the problems of increased costs, the failure of contractors and suppliers to meet *their obligations, lateness in* ordering plant and materials and defects in construction caused by lack of time.

Substantial savings, it says, can be achieved by pre-planning, co-ordination of the activities to be carried out on site and from the contractor working in the closest liaison with the client and consultants.

Mr. Hill commented: "A building project is invariably a substantial investment for the client and will be *fundamental* to his future profitability. It is therefore vital to him that he should know the extent of *his* commitment both in terms of time and cost.

"We give much attention to obtaining high productivity on *site and we can* measure this in economic terms; but too little attention is paid to finding ways of *improving productivity off* site during the period from when the client gives the go-ahead to the time *the* first excavator moves on site."

MICHAEL CASSELL

No mortar on the roof

WITH THE development of a new dry ridge system to partner its existing dry verge, Redland Roof Tiles, of Reigate, Surrey, *claims to have finally evolved* the completely dry—mortarless—pitched, tiled roof.

The company says its dry ridge is the first of its kind to be sold in the UK and claims that it is up to 40 per cent quicker to lay than a conventional mortared ridge.

The ridge is the most exposed area of the roof and requires *frequent maintenance checks.* Dry ridge requires no maintenance and the roof is more able to flex with thermal and building movements. Mortar tends to crack and shrink and this year's new British Standard BS 5534 in any case calls for mechanical fixing in certain conditions.

Dry ridge comes in kit *form* comprising a ridge tile, black Nuralite (formed semi-rigid asbestos bitumen sheeting) filler units to fill the troughs in the top *courses of tiles and to pro*vide a seating for the ridge tile; a cross-sectional seal to waterproof the butt joints between ridges; and metal straps to secure a false ridge tree to trussed rafters. Each ridge tile is nailed to the false ridge tree. *The filler units also ensure* a uniform appearance to all ridges on a site.

Initially dry ridge is produced for use with Stonewold and Regent roof tile profiles. A blocked end ridge tile is available to finish the gable end.

Locating uranium sources

EUROPEAN office of Essex Minerals Company (a subsidiary *of U.S. Steel Corporation),* 363 Avenue Louise, Brussels, and Hunting Geology and Geophysics, have collaborated to prepare a uranium potential study of North, Central and West Africa and the Middle East.

Hunting provided, under con*sultancy contract, uranium* exploration experts and other specialists to assist Essex geologists evaluate data from 44 *countries.*

A four-man team from Hunting took three months to compile the vast amount of data accumulated over a period of three or four years by Essex Minerals.

Six favourable uranium bearing zones were discovered and *one of these is* now being explored by Essex.

A pick-and-carry crane

A SIMPLE cantilever jib which can be extended with a further *section to give a maximum jib* length of 12.2 metres is incorporated in a mobile, diesel-*mechanical* yard crane called the Jones 195, introduced by Jones Cranes of Letchworth (a member company of the 600 Group, Wood Lane, London, W12. 01-743 2070).

It can perform pick-and-carry duties with loads up to 11 tonne slung *from a 9.1 metre jib at* three-metre radius (UK ratings).

The crane is powered by a Perkins water-cooled diesel engine developing 62 bph, at 1,800 rpm, which provides more than adequate performance for normal yard operations, says the company.

Aid to crane safety

LOADWATCHER, the latest design of safe load indicator for cranes from Wylie, gives the operator a clear and continuous picture of his margin of safety and also indicates the load on the hook and other important *data such as permitted load,* radius and boom angle.

Two measurements are made *by* the equipment. A cam box associated with the motions of the crane provides maximum load data as the jib or jibs are extended, regardless of the *number of falls on* the hoist line. At the same time a dynamometer in the line yields *a reading of the actual load* being lifted. The two are electrically compared in the *control/display* box in the driver's cab.

The equipment will follow any load/radius curve, switched in automatically, or manually by a switch on the display panel. In telescopic cranes for example, Loadwatcher will select different load curves at different boom lengths, regardless of whether the duty is angle related, radius related or *radius/extension related.*

The displays have been made particularly easy to read and understand; they might include analogue meter readings of effective boom radius, permitted load and actual load, together with illuminated pictorial warn*ings of excessive load* (either with regard to crane stability or line tension), how many falls are in use, and whether with main boom or fly jib. Account can be taken of operation of the crane on sloping ground.

The equipment has been *designed to comply with all the* European safety standards, particularly the Dutch and French.

More from Wylie Safe Load *Indicators, Menzies Road, Hast*ings, Sussex TN34 1XD (0424 421235).

Espley-Tyas awards

THE LARGEST of contracts totalling £2.9m recently won by Espley-Tyas Group *is the £1.1m* new Magistrates Courthouse and probation suite for the Metropolitan Borough of Solihull.

Two contracts, awarded by the Department of the Environment, are £990,000 for essential improvements at 34 central work*shops,* REME, COD Donnington; and £455,000 for eight two-storey residential blocks at RAF Brize *Norton, Oxfordshire.*

Alterations and extensions to shop premises for Boots the Chemist in Cricklade Street, Cirencester, make up a £330,000 contract.

Rice project in Tanzania

THE NATIONAL Agricultural and Food Corporation of Tanzania has appointed Rofe, Kennard and Lapworth, consulting engineers of Sutton, Surrey, to review the designs, prepare tender documents and supervise the construction of an irrigated rice project in Tanzania.

The irrigable area of about 2,700 hectares will be supplied from a pumping station on the Wami river. The works will include lead and branch canals, drains, roads, land levelling, rice mill, and other ancillary works.

Rofe, Kennard and Lapworth are associated in this project with Londwatt Consultants and *Ron Hawkey Partners. Construc*tion is planned to start in 1979.

Bison's new flooring approach

THIS MONTH, the last of 27 *bungalows,* 32 *two-storey houses* and a two storey block of community rooms will be handed over to Chester-le-Street *District* Council. The structures are unique in Britain in having prestressed, precast concrete floors, the first occasion on which this *form of floor* construction has been used *for the ground floors* of houses. They were installed *by* Bison Concrete (Northern).

In the bungalows, 12 flooring units per floor, each 150mm thick by 1200mm wide in prestressed precast concrete are used. In the two-storey houses and the communal block, there are six flooring units, each 200mm *thick by 1200mm wide.* All units are six metres long. A self-levelling screed 4mm thick forms the top surface of the floors.

The units were extruded and prestressed in Bison's Leeds factory and delivered as com*plete structural units to the con*struction site. A mobile crane lifted the units from the delivery lorries and placed them directly into their final positions, where they were fixed and grouted up, the screed surface then being added.

The importance of the contract far outstrips its value of £23,000, since it should be seen as a pioneering project spurred by the current high cost of a traditional alternative.

Will clear the pipes

A HIGH *pressure* water jetting trailer is being marketed by Wards Flexible Rod Company, *10* Cleave Avenue, Farnborough, Kent BR6 7HB.

It is designed to clear pipes up to 250 mm in diameter. Constant high volume jetting, without *misting,* is achieved by specially designed nozzle jets and a piston pump instead of the *more* conventionally used diaphragm type pump.

The pump is a three piston Triplex type and is said to even out pulsation to a negligible degree and give a high flow, but at a lower pressure than other machines, thus offering more *cleaning* power.

Rior BV of Goirle in the Netherlands makes the HD50.

IN BRIEF

● Contracts worth more than £1m have gone to Tarmac Construction's Leeds-based organisation. The biggest jobs are in the Leeds area and involve two office blocks and three new advance factory units.

● The construction of a planetarium for the University of Gariunis at Benghazi has just begun. G. H. Buckle and Partners, consulting engineers, is responsible for the electrical *and* mechanical services in the first phases of the university building programme, and *was retained* for the heating, cooling and ventilation as well as for the *electrics and other normal build*ing services.

● The London Boroughs of Camden and Wandsworth have placed orders worth more than *£110,000 with Market Harborough* Joinery Co., for Skansen high performance timber windows.

● The last of six BK90 pavers ordered under a £1m contract by the *General Company of Roads* Construction, Syria, has left Blaw Knox's works at Rochester, and is on route to Lattakia, says the company.

● Pye TVT has received two contracts from the Sultanate of Oman: the first is for the renewal of studio operations and *mainten*ance contract for the colour TV complex in the Dhofar region; the second contract *comprises a* telemetry system which will provide full remote operation and *monitoring of the three transmit*ter stations and microwave repeater stations which make up *the Oman colour TV transmitter* network.

● Robert Watson and Co. (Steelwork) of Bristol has received an order valued at £300,000 for the construction and erection *of a* Marks and Spencer distribution warehouse at White City, London.

● An export order worth more than £200,000, has been awarded to William Lee Malleable of Dronfield, near Sheffield, by the Swedish railway authorities *for* 350,000 malleable iron shoulder castings for the Pandrol rail fixing system.

● James Clark and Eaton has won a contract worth *£224,000* for the design, supply and installation of glass units at the *University of Petroleum and* Minerals, in Dhahran, Saudi Arabia. The order is for glazing about 200 tons of glass, including 12mm toughened anti-sun bronze glass, 6mm clear float glass *and double glazed units.*

● Sheltered homes for the elderly in Aylesbury and a *factory unit in Northampton are* to be built by the south east Midlands region of John Laing under two contracts together worth more than £800,000.

● Two orders valued at £90,000 received by TAC Construction Materials of Manchester are for roofing sheets for building works in Tanzania and the Sudan.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● PROCESSING

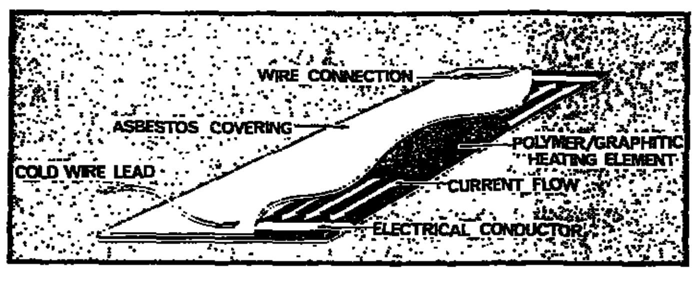
Sheet heats uniformly

DESIGN engineers in many industries are being given new scope to apply controlled area heat for many applications with a new composite heating material introduced by Raychem of Swindon, known for its work in applied technology related to radiation cross-linked polymer chemistry.

This sheet heating system is called "CelloTherm," has a polymer/graphitic heating element which employs a parallel busbar circuit and is formulated to a preselected level of resistivity. The element is sandwiched in white asbestos (not carcinogenic) and is produced in continuous rolls to a uniform due to its busbar construction, localised damage will not result in a malfunction.

The sheet, which is thin (0.20ins average), can be supplied in widths from 1 in to 24 ins and in lengths from ½ in to 600 ft. It can be used flat or bent to shape and can be die-cut to fit a surface area, slotted or perforated. It can be used with any insulation and attached to metals, glass, plastics, paper, ceramics, wood and many other materials.

Heaters based on Cellotherm, embedded in a variety of plastics, including glass reinforced epoxy resins and phenol-formaldehyde, can be supplied



specification and quality, the thermal and electrical characteristics being completely controlled by the manufacturing technique.

Unlike many other sheet heaters which are based on a graphite/carbon element, Cellotherm produces a constant heat output over a whole range of temperatures at which it is intended to operate.

Heating instantly, without heat spots, it gives from 0.1 to 20.0 watts per square inch and works up to temperatures of 250 degrees C. It can be used with 6 to 350 volts AC or DC on dual voltages if required, and will resist thermal shock and vibration. It will not short when subjected to high pressure, and in sizes up to 2 ft x 3 ft. Such heaters can be as thin as 0.125 inches and still show remarkable physical strength.

Applications suggested for the product include heaters for manufacturing processes such as heat transfer printing, as in the manufacture of wood laminate, and for the heating of electroplating tanks.

Low temperature radiant heating panels in housing, animal rearing units, grain storage and mass transit systems can also be made in the material which is useful, too, for consumer products such as heating trays, baby food heaters and yoghurt makers.

Raychem, Faraday Road, Dorcan, Swindon, SN3 5HH (0793) 28171.

Keeping it clean

CURRENT reversing thyristor-controlled power supply has been developed by Electroloid, of Aylesbury, for the metal finishing and refining industries.

The unit is used in the cleaning cycle of plating and metal refining plants, periodically reversing the polarity of the current supplied to the electrodes and preventing polarisation which would reduce the cleaning current.

One of the attractions of the Electroloid unit is that it combines in a single entity pieces of equipment that until now have been available only as separate items.

Also incorporated are digital setting controls to supply constant voltage or constant current, in either forward or reverse models independently.

Electroloid, Chamberlain Road, Aylesbury, Bucks HP19 3BZ (0296 82261).

● COMPUTING

Advanced techniques

FORESHADOWED several months ago, the largest NCR Corporation machines have now been unveiled in the United States.

The new V-8650 and 8670 both use 64K-bit memory chip technology—first announcement for a large-scale system—as well as ultra-fast emitter coupled logic (ECL 100K) circuitry.

The new family continues NCR's "migration path" engineering concept so that customer applications, compilers and other software can be transported from the smallest to the largest machines.

The V-8600 family employs many state-of-the-art technological and design features to provide the performance and reliability required by the very large system user.

Both systems operate with NCR's Virtual Resource Executive (VRX) which provides powerful batch-processing, telecommunications, transaction-processing, data base and interactive development capabilities. VRX is a proven operating system and is already in use at a large number of V-8500 customer sites. The new processors and software also conform to NCR's distributed network architecture.

Prices run from typically $2.4m to $5.2m. The machines will begin to move out to customers in the fourth quarter of 1980.

Useful data capture unit

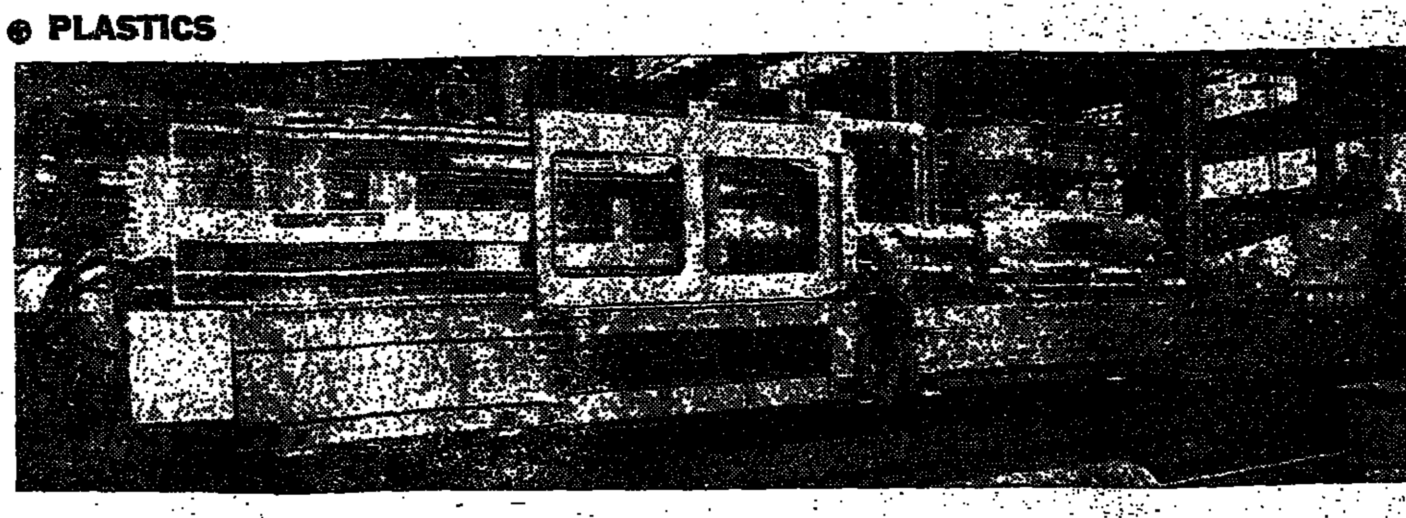
ADLER TA21 data capture unit will be of benefit to many computer users. Its application ranges from the computer bureau which can instal it with clients, to the mainframe computer user whose data is generated at a number of locations.

At the heart of the system is a microprocessor capable of supporting additional peripherals. The method of connection, communication procedures and transmission speeds are dependent upon the requirements of the central processing facility.

The major advantage of the system is that it provides facilities for output to magnetic tape cassette, for off-line data capture on OCR units through a 20 CPS single element printer, and on-line batch communication.

Adler Business Systems, Jordan House, 47, Brunswick Place, London N.1. Telephone 01-251 2710.

● PLASTICS



Big German-built injection moulder

KRUPP HAS added a big injection moulding machine (KR 1000) to its range which now covers twelve sizes with clamping forces from 343 to 9804 kN, satisfying 90 per cent of all injection moulding applications.

KR 1000 has a mould opening travel of 1400 mm, a mould height of 600 to 1150 mm and injection capacities of 4510, 5930, and 7840 cubic centimetres. Injection pressures are 1875, 1450 and 1080 bar.

The machine operates with a mechanical/hydraulic mould closing device, resulting in a large mould opening travel and high closing and opening speeds at low power consumption and little wear. Closing and clamping are separate operations.

The injection unit, pivot-mounted on the machine bed, has a direct hydraulic drive with two torques and two speed ranges.

Pressures and speeds can be digitally adjusted from the control board in up to 30 steps. Flow losses are reduced to a minimum, resulting in high energy savings.

Fried Krupp, 43 Essen, Postfach 10, German Federal Republic.

Waste converted to a useful product

WITH A patented process, Plastic Recycling of Worcester is utilising plastic waste that is otherwise unsuitable for recycling by normal methods.

Its final product is Stokbord, in which low-grade plastic scrap is converted into 8 ft x 4 ft x ½ inch boards. The price is competitive with exterior grade plywood, but the material has certain superior physical properties.

Because of the properties of the basic raw materials, Stokbord itself is virtually impervious to moisture, will not rot, is easily worked by conventional hand or power tools and, particularly important for farming use, it is easily cleaned or disinfected. It will not harbour bacteria or germs, so is useful for greenhouses and plant biology, and is widely used for penning, divisions, gating and cladding in pig and dairy units.

To present a uniform appearance, Stokbord is faced with black film and is produced in standard sheets 2.44 x 1.22 metres and 6mm, 9mm, and 12mm thicknesses. Boards are available in most colours providing minimum quantities are ordered.

Plastic scrap used for the process is too contaminated to be recovered and re-cycled economically for other purposes. Currently, such material may be put into local authority tips or incinerated, in which case it can produce noxious gases and smoke. If buried, it can cause instability of the top of the tip or, because it will not rot, eventually the plastic comes up to the surface.

Plastic Recycling was recently acquired by Braithwaite and Co. Engineers, as part of that company's long-term diversification programme, and is at Bookham (0372) 58951.

● IN THE OFFICE

Two-speed transcriber

EMPHASISING the trend towards increased acceptance of the microcassette format, Teletronics has introduced a new transcriber/recorder.

Model RN-195 (by National Panasonic) is reckoned to be the first two-speed microcassette transcription machine available to British businesses—and it must be one of the smallest at only 9 inches wide by 7 inches deep by 2¼ inches high. It weighs just 3½ lbs, and gives the choice of 60 or 120 minutes recording on a standard microcassette.

Variable speed control that slows playback speed up to 70 per cent to allow its operator time to transcribe a long passage easily and accurately without frequent stops and starts. Alternatively, the control can accelerate tape speed, for rapid checking.

Other transcription facilities include volume and tone controls, fast forward and reverse (both rewind and fast erase take only 100 seconds for a 60-minute tape), pause control, tape counter, earphone socket, and an input for foot-operated pause control.

Teletronics, 9, Connaught Street, London W2 2AY. Telephone 01-262 3131.

● INSTRUMENTS

Analytical kit made to measure

LC-XP Series, high performance liquid chromatography instruments, columns and accessories, by Pye Unicam, of Cambridge, can be put together "off the shelf" to suit specific requirements, from quality control to complex research studies. If needs change, systems can be updated at low cost.

Among the new, or considerably improved instruments is the LC-XP gradient programmer which is able to store up to 10 complete programs in non-volatile memory. These can be simply entered by keyboard, stored and later retrieved and edited, as desired.

Completely new is a fluorimetric detector, the LC-FL, which makes possible the high sensitivity relective detection of fluorescing compounds.

Pye Unicam, York Street, Cambridge. 0223-58866.

● HEATING

Optimises heat supply

DEVELOPED by Teddington Industrial Equipment is a temperature monitoring and control device which will ensure that frost damage will not occur during the night, switch the heating system on at the right moment before factory/office starting time to ensure an appropriate temperature is reached, and then keep the working temperature constant during the day.

Known as Thermathrift 2, the device will minimise periods of heating operation and is claimed by the company to be able to reduce fuel bills by up to 25 per cent.

Basically, a motor driven cam determines the user's programme and this is modified according to conditions. Latest start up time for pre-heat is determined by a hydraulic thermal expansion system which advances or retards the starting point of the pre-heat period according to the night time conditions.

In addition, if before pre-heat start is reached there is risk of frost damage, a low temperature switch will operate. Adjustment is provided to take care of the thermal conductivity of the building fabric.

From the time of occupancy onwards the device operates as a room thermostat with a differential of two degrees C.

Designed for easy integration into new or existing heating systems, the unit can control any heat source and has switch ratings of five amps.

The company is at Windmill Road, Sunbury on Thames, Middlesex (Sunbury 85500).

● ELECTRONICS

Board plant to double its area

FAR FROM suffering from the growth in application of integrated circuits, especially microprocessors, the UK printed circuit board (PCB) industry is expanding. That is the view of Peter Breen, director and general manager of Exacta Circuits, which claims to be the largest UK manufacturer of PCB's used by other organisations.

Total size of this non-captive market is currently estimated at over 50m boards per annum in the UK, with the top five volume manufacturers supplying about 60 per cent by value. Turnover of Exacta in 1978 is expected to be £6.3m against 1977 £3.7m, representing a growth of 59 per cent in real terms.

To meet expanding demand Exacta is planning to add during 1979 38,000 sq ft to its 34,000 sq ft plant purpose-built in 1971 at Selkirk, Scotland, which with its associated factory at Galashiels will give the company a total production area of almost 100,000 sq ft. Cost of the expansion—expected to be finally approved by Exacta's parent STC by the end of the month—will be £1.8m. This covers buildings, new production equipment and an IBM system 34 computer for on-line production control. A total expenditure of some £5m is likely over the next five years.

Production is of quality circuits for telecommunications (less than one-third of output is for STC equipment, mainly TXE4 telephone exchanges), computers, office equipment like copiers, and military and avionics equipment. The bulk of the production is to customer designs.

For these applications printed circuits are becoming more complex, with a greater number of pins on component packages and a higher density of interconnections. Europe is seen by Exacta as a major growth area. Next year exports should account for some 25 per cent of turnover. Its first PCB subsidiary abroad has recently been established in Paris, where 1979 turnover is forecast at over £1m.

Exacta Circuits, Shawburn factory, Selkirk, TD7 5EJ. Tel: Selkirk 21 601.

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THE EXECUTIVE'S and OFFICE WORLD

EDITED BY CHRISTOPHER LORENZ

Geoffrey Owen examines IBH, the fast-growing construction equipment group built up by a 'company doctor'

German earthmover digs its foundations in Europe

CAN A 35-year-old German owner-manager, who founded his company only three years ago, hold his own in an industry dominated by large American corporations, all prepared to spend millions of dollars to expand their market share?

Horst-Dieter Esch, president of IBH, a fast-growing group of construction equipment companies, thinks he can. He believes it will be a disaster for Europe if American domination in this sector goes any further. Not only will European governments lose control over the supply of public works equipment, but the Americans, Esch suggests, usually make a mess of the European companies which they do take over.

Although he would not put it quite so grandly, his company offers a European solution to the problems of European construction equipment makers.

Other European entrepreneurs have built up sizeable businesses in this field, like Joseph Bamford in Britain, Hans Liebherr in Germany and Pierre Bataille of Poclain in France. But these three companies (the last of which has moved into the American orbit, being effectively controlled by Tenneco-Case) started by designing and manufacturing their own machines; then they extended the range mainly by internal development.

Esch has followed the quite different policy of buying companies (most of them in financial difficulty) with an established product. He has already bought half-a-dozen such firms in Germany and France—the latest was announced last week—and he has his eyes on the UK. Next year IBH expects to do a turnover of DM 400m (£106m) with 2,200 employees.

Beatable

Five years ago Esch was running the Continental operations of Blackwood Hodge, the UK-based distributor of earth-moving equipment. The German industry was in the throes of the worst depression since the war. Companies which for years had been able to sell anything they could make suddenly found their weaknesses exposed. Most of them, Esch says, "had gone two product sizes too far; they had built successful small and medium-sized machines, then decided that Caterpillar was beatable."

But the recession was not going to last for ever. Esch reckoned that if he could get control of companies with a really strong product line and inject management and financial resources into them, he should be able to create a viable group of his own. (He had studied international management at the University of California and had experience of the North American construction equipment business before returning to Germany.)

In mid-1975 he left Blackwood Hodge and started IBH Holding AG with a capital of DM2m. It is privately held and Esch is the majority shareholder; its headquarters is in Mainz. He then negotiated with a banking group and the state government of Rheinland-Pfalz to take over Zettelmeyer, an old-established family company which was a leading producer of small front-end loaders; it also made compaction equipment. It was losing money, but was strong in product and technical terms; it had recently introduced a range of hydrostatic wheel loaders which Esch thought had "tremendous potential."

In the next six months he acquired two more German companies. One was Hamm, making road rollers and heavy compaction equipment, again a technical leader in its field and about half the size of Zettelmeyer. The other, Duomat, a specialist in hand-guided vibratory rollers and plates widely used for building and repair work, was not in financial trouble, but the owner had fallen ill and wished to sell.

These purchases gave Esch a broad line of equipment in a sector of the market which had better recovery prospects than the heavy end of the industry: large civil engineering and highway projects were extremely scarce.

But the companies were "losing money madly; we didn't know on the 25th of the month how we were going to pay the salaries on the 28th." He laid off over 200 people at the three companies, bringing the numbers down to just over 800. He stopped manufacture of compaction equipment at Zettelmeyer and replaced most of the senior management. He reorganised the dealer network and discontinued direct sales from the factory.

"My background with Blackwood Hodge was a help," he says. "You either have to be exclusively a dealer or exclusively a manufacturer." He built up a chain of regional dealers in Germany; most of them now get at least half their business from IBH companies.

Horst-Dieter Esch and one of his new machines, the ZD 3000 dozer

A crucial decision, though it did not appear so at the time, was to allow Zettelmeyer to compete for a new German Army requirement for a high-speed wheel dozer. This machine, the ZD 3000, was designed from the ground up, and, perhaps because other companies were offering modified versions of their existing dozers, won valuable contracts from both the German and French armies.

Zettelmeyer now has orders worth DM 200m for this machine, giving additional stability to the business. It also provides a useful demonstration of Zettelmeyer's technical competence.

By the end of 1977 the German companies were making money and Esch was ready for further expansion, especially outside Germany. Duomat and to a lesser extent Zettelmeyer were exporting to France, but a local manufacturing base was needed if IBH was to make a major impact on the market.

During 1978 he has made three acquisitions in France, of which the first was Derruppe, a subsidiary of Poclain, making small loaders and compaction equipment. Then came Maco Meudon, a manufacturer of air compressors, and within the last few weeks Manubat-Pingon, making specialised hydraulic excavators for mining and tunnelling applications.

The French construction equipment industry is in a deep recession, but Esch expects to get the three companies into shape during 1979 and start making profits in 1980—when demand should be picking up. The products of the acquired companies, together with the German-made machines, represent a package which should attract capable dealers wholly or largely committed to IBH.

Fragmented

Esch had intended to start looking seriously at the UK in about a year's time, but inevitably news of his willingness to buy has brought plenty of offers.

The British-owned construction equipment industry is as fragmented as in France and Germany. It includes some subsidiaries of much larger engineering groups (like Aveling Barford in BL and Hymac in Powell Duffryn) and a sprinkling of family-owned companies—of which the largest is J. C. Bamford.

Quite apart from potential sellers in the UK and on the Continent, it is always possible that one of the North American companies will get disenchanted with the construction equipment business: Massey-Ferguson has tried unsuccessfully to sell its subsidiaries in this field. But Esch intends to be selective; he will not take over assets which require enormous expenditure on facilities and model development. (The new factory he is about to start at Zettelmeyer is being financed entirely from the sale of surplus land.) Any deals he may make in the UK are unlikely to depart from his established strategy.

The main elements in this strategy are:

1—Go for companies which are technically advanced and have a large, preferably dominant, share of the market in the products in which they compete. In France Zettelmeyer and Derruppe combined have over half the market for small loaders. The IBH group as a whole will make about 2,000 loaders next year.

2—Don't try to supply the whole of Europe from one manufacturing source. It is essential to manufacture on a substantial scale in each of the main markets. In addition to the advantages of closeness to the customer, "you've got to use the resources which exist there and show that you're making a contribution to the local economy."

3—Don't try to run everything from the centre. In France Esch is setting up a small IBH holding company in Lyon which, as in Germany, will have a management services staff of 10-20, while the operating companies remain responsible for designing, making and selling their products. This does not preclude rationalisation between factories; one of the Zettelmeyer loaders is being made by Derruppe, thus freeing capacity in Germany.

4—Don't take on the giants at their own game. Esch would not contemplate, for instance, competing against Caterpillar, Komatsu and Fiat-Allis in crawler tractors, and he has tended to look for specialised sectors of the business. As he gets bigger, the extent of overlap with the giants is bound to increase. But before plunging into, say, conventional hydraulic excavators, he would want to acquire a European company with a strong product and market position.

The obvious risk is that Esch will be tempted to take on something too big or that one of the acquired companies will go sour. He himself claims not to be going too fast. It is quite feasible, he thinks, to get the three French companies into shape during 1979 and then he will be ready for more.

Like Heinz Nixdorf, the German computer maker who recently had abortive merger talks with Volkswagen, he is determined to keep personal control of his company; he does not think this will impose any financial constraints on growth. If necessary IBH could possibly follow Nixdorf's example and arrange for a bank to subscribe additional equity capital, while retaining the option to buy back the shares at a later date.

Esch argues that construction equipment is a very personal business. Customers like to know who the owner is; that is an advantage which the owner-manager, with his personal commitment to the industry has over the faceless American corporation which may derive only a small part of its total revenue from construction equipment.

With 30 years to go before retirement Esch has plenty of time in which to impress his personality on the European scene.

EXECUTIVE HEALTH

How not to eat a business lunch

BY DR. DAVID CARRICK

RECENTLY I was taken to lunch at a restaurant which is becoming increasingly popular partly because it is attracting the famous and infamous and partly because of the generosity of the portions of food. I believe the fare is also excellent, but I have little recollection because I was engrossed in the behaviour of a couple who sat nearby.

My journalist companion had warned me, with delicious zeal, that they represented "copy" because one was a "captain of industry" while the other was a prominent trades union man. They were, so I was led to believe, fierce opponents in public and my companion looked forward to a pyrotechnical display of opposite views.

In this he was disappointed and became quite grumpy. My interests were different. Opponents the two might be, but there was one striking similarity between them: both had a marked degree of rolling fat.

Having finished their pre-prandial whiskies, they laid into plates of thick mushroom soup plus a large roll apiece. Then came massive portions of steak and kidney pudding, rich in gravy, and accompanied by several vegetables. But no potatoes: oh dear no! Apparently both diners were slimming, and they smiled smugly at each other in their virtuous refusal of "such starchy food." Each then had a second roll with butter. This lot was washed down with a bottle of heavy red wine.

Pudding? Both said they shouldn't really, but . . . One had stewed figs and cream and the other had a small load of gateaux and cream. Cheese was partaken of with gusto and the meal ended with large brandies and coffee.

At this point I nearly disgraced myself by laughing because, as the cream-laden coffee was set before them, each of these stout opponents moved in astonishing unison to produce little pots from their pockets and, with enormous self-pride, popped a few saccharin tablets into the fluid.

The giant meal had not been conducted in silence. Various noises were emitted including conversation. Not a word was spoken on politics but each glutton expatiated (between gulps) on his bodily functions. One explained how careful he had to be with his diet: "Dicky heart, you see," he grunted, "Doc says I've got to take things easily. Touch of the old diabetes too, but these modern pills are marvellous. Should take more exercise but I've done my back in—old war injury—and I'm getting a bit short of breath."

Toddle back

The other, munching away steadily, nodded until his companion's mouth was full, then launched forth about his own ill-health. "Trouble's me chest. Silicosis I dare say. All right if I use this inhaler. But cough! I am always at it! My back's bad too: from the mines, I should not wonder: sometimes I get quite stuck. And my poor old hips! Dear oh dear! Terrible they have been lately. Missed my jogging but I have allowed for it by refusing chips with my fish: I just have two fish instead: quite a sacrifice."

They commiserated sadly with each other before parting, the one to toddle back to his Health Farm and the other to a comfortable convalescent home, leaving me to wonder at the absurdity of their hypocrisy and self-deception.

Between their combined 40 odd stone, they had consumed roughly 6,000 calories during their "slimming" session. Small wonder, therefore, that they suffered from many of the disorders associated with or exacerbated by obesity. Five or 6 stone off each would have removed or alleviated most of these complaints. But they enjoyed their food and I only wish they had not protested what they would not practise.

For the rest of you who are really trying to lose weight slowly and steadily, I wish you well and hope that you let your hair down at Christmas—but only for the holiday.

LOMBARD

Governments can learn, too

BY COLIN JONES

IT MAY SEEM curmudgeonly to raise doubts about the programme the Prime Minister launched last week to push Britain towards the micro-electronics age. For there is much that can be commended in what has so far been decided.

The study produced by the Central Policy Staff should help to remove much of the hysteria with which the subject has been discussed. The arrival of micro-electronics is likely to be intrinsically no different from any other technological change which society has experienced since the beginnings of the industrial revolution. The nature of the changes will differ in form and possibly also in scope but, provided we show ourselves to be as adaptable as in the past, they should be no more difficult to absorb.

At the same time, the Government showed last week that it recognises that there are areas in which it needs to act because they are the areas where government itself has the primary responsibility. It is all very well having a continuing programme of publicity to encourage people on both sides of industry—in sectors which may be potential users as well as in those that are potential suppliers—to think more actively about the implications.

Uncommon

The message is likely to go down much more readily if the Government is able to demonstrate that it is itself preparing for the challenge in its role as a potential purchaser—and a purchaser on a substantial scale at that—that it is ensuring that more resources are going into meeting the already acute shortages of trained computer programmers, skilled electronics engineers, and a host of other specialist skills, and that the implications have been understood and appropriate responses are being prepared further back still in the schools and universities and teacher training colleges.

These initiatives have yet to be carried through, of course: and it would have been nice if the Government had said something more specifically about the need to accept rather than resist, change in industry.

The doubts arise when one comes to those parts of the programme which involve the channelling of public funds to private companies. The present Government has shown itself uncommonly ready to give taxpayers' money to industry. It may be that the £100m it is committing initially and up to perhaps £400m eventually, plus the further substantial sums it has been committing to the National Enterprise Board's micro-electronics ventures, are going to a more worthy cause than the sums which have been poured into job preservation measures—where their effect has often been to delay the inevitable and sometimes to make the impact of change, when it eventually comes, even more unpalatable and thus something which it is even more necessary to resist.

It may be that there is a proper role for public funds as a catalyst to seed new research and the development of new products or even perhaps as venture capital for high-risk technology projects undertaken by smaller firms. There may be something to be said, too, for using public funds to attract foot-loose multinational investment—in the absence of any international agreement to limit this competition.

But all the evidence shows there is no shortage of funds to finance large-scale or high risk projects when the potential market is sufficiently promising to justify the costs and the risks. There has been no lack of finance for North Sea projects or for new chemical or pharmaceutical processes. It was not the offer of public funds that motivated GEC's move back into micro-electronics, having maintained over the years an in-house research capability so as to be able to keep abreast of external developments until there appeared to he an opportunity for more active involvement.

Soft option

The danger is that public funds will attract second-best projects or will be used as a soft option (one can hardly blame businessmen for arranging their bids so as to take advantage of cheap money when it is offered) or that the use of Ministerial discretion will discriminate unfairly—albeit unwittingly—between rival firms.

This Government is not the first to put public funds into industry, though it is doing it on a greatly expanded scale. One would have much more confidence if these moneys were being sensibly used if as much effort were being put into the systematic study of past experience as there is into finding new projects to back. One can always learn from the mistakes one has made in the past. Governments, like everyone else, presumably have a learning curve.

THE WEEK IN THE COURTS

A civilised approach

BY JUSTINIAN

TRIAL BY newspaper—the practice of mass media communicators raking over the details of a forthcoming criminal trial and containing long interviews with many of the prospective witnesses—has been an evil from which this country has largely been spared. Surveying the acres of newspaper columns of even a truncated press reporting the proceedings emanating from Minehead Magistrates' Court these last three weeks, one is tempted, however, to wonder whether we are in the process of acquiring a thoroughly bad transatlantic and Continental habit.

The truth of the matter is quite the reverse; indeed, what is happening in that small Somerset town is only likely to prompt our legislators to fill a gap in our civilised approach to the conduct of, and the publicity given to criminal cases before they come to trial.

Our law of contempt has long sought to provide a safeguard to protect persons on trial against undue prejudice from the press or other media. While there has been some doubt about precisely when the curtain on reporting about criminal cases falls, restrictions apply thoughout the period that criminal proceedings are in progress.

Uncertain

For this purpose, when do criminal proceedings start? The law about this has been uncertain, but the Phillimore Committee in 1974 recommended that they should be deemed to start when the suspect is charged. There is a strong body of opinion that contends, however, that we should not be frightened by the howls of press freedom, of drawing back to the time of arrest as the beginning of proceedings, after which only what is said publicly in the courtroom may be published freely. And there lies the rub.

Until 1967 newspapers were entirely free to report anything that was said in open court (with some rare exceptions relating to official secrets) which included the evidence given by witnesses before magistrates in committal proceedings. In pre-1967 days justices' clerks laboriously took down in long hand (some banged out the witnesses' testimony on a noisily intrusive typewriter) all the evidence, which was merely a repetition of what the witness had said in a written statement to the police weeks before. Partly because of the enormous waste of court-time this system produced, there had been a move to dispense with such long-winded committal proceedings.

The matter came to a head with the famous case in 1957 of Dr. Bodkin Adams. He was originally charged with the murder of a number of his patients in Eastbourne. The newspapers had a field day in reporting the testimony, before the local justices, that blackened the name of the doctor. When the matter came to trial at the Old Bailey, the Crown proceeded on an indictment charging him with only two murders. But no juror who sat in the jury box could have been unaware of the earlier allegations. Yet, in spite of the conclusion that the jurors must have had their minds effectively poisoned, Dr. Adams was acquitted. His case, however, prompted the setting up of a committee to investigate the reporting of committal proceedings and the Criminal Justice Act 1967 made the first big inroad on Press reporting of court proceedings. It received a hostile reception from Fleet Street and ever after has been heartily disliked by journalists.

The 1967 Act did two things. It introduced "paper" committals, the method by which a defendant, if he is legally represented, may choose to accept the written statements of the prosecution witnesses as sufficient to warrant his committal for trial; whereupon the magistrates, without having to test the evidence, send the case for trial. That procedure has resulted in a significant saving of time in a large number of cases; whether it has brought an improvement in the quality of the administration of justice is debateable.

The second innovation was the ban on the reporting of committal proceedings other than a few formal facts. No written report or broadcast of the proceedings is allowed, save in one situation. If a defendant wants the reporting restrictions lifted, the magistrates are bound to make the order whereby the proceedings, as of old, could appear in the newspapers.

It had been confidently predicted that the lawyers acting for Mr. Jeremy Thorpe at Minehead were going to press home their attack upon the prosecution's witnesses and urge that there was no case to go for trial, but without all the deleterious effect of the publicity attendant upon the magistrates' court proceedings. They perhaps overlooked the fact that the 1967 Act provided that, if one defendant asked for the ban to be lifted, that was effective for all of the committal proceedings. Parliament expressly did not permit what one magistrate in 1968 tried to do, namely to lift the restriction only in relation to that one defendant. The law is that if one defendant elects for full publicity, he effectively provides publicity for his co-defendants.

When Mr. Garth Williams QC, on behalf of Mr. Deakin, exercised the right to have the proceedings reported, he at a stroke spoiled the strategy in the Thorpe camp. Why he did it is not clear.

Given that unexpected situation, it might have been wise for Mr. Thorpe's legal advisers to have switched to a "paper" committal, and reserve all their ammunition for cross-examination until the trial. But it looks as if Sir David Napley, Mr. Thorpe's solicitor, had committed himself to the rare privilege of a solicitor to conduct a cause célèbre in the full glare of the public searchlight.

One product of the Thorpe case will be to tighten up the law on restrictions on reporting so as to give co-defendants at least a say in whether an application by another defendant for the lifting on reporting restrictions should be acceded to. But what about committal proceedings generally?

Committal proceedings are intended to provide an opportunity for independent review of the evidence to see whether the case is one that ought to proceed to trial. There is a real doubt whether, even before "paper" committals came along in 1967, committal proceedings in fact served this purpose. If the defence made a submission of no case to answer, no doubt the case was reviewed properly. But in the absence of any submission, is was rare indeed for magistrates to do other than commit the defendant for trial.

Scottish system

If there is any convincing argument for a real (as apposed to a formal) preliminary review of every serious criminal case by someone performing a judicial role, committal proceedings can hardly be relied on to provide it. All this argues strongly in favour of adopting something like the Scottish system, where a lawyer, the procurator-fiscal, from the outset prepares the prosecution case for trial and at the same time exercises a legal judgment on the testimony of the witnesses. He is independent of the police and works only under the direction of the Lord-Advocate.

But before we sweep away our established procedure, we should remember that another function of committal proceedings is to notify the defence of the case it has to meet, a feature that is astonishingly absent from the Scottish procedure. There is great value in the defence knowing well in advance what it has to meet, even if the opportunity to challenge it is deferred to trial. That does not satisfy the overriding need for early judicial review. In this respect we can learn from the countries of Western Europe, while in the matter of trial by newspaper we have made an exemplary contribution to civilisation, the maintenance of personal liberty and standards of public life.

TENNIS BY JOHN BARRETT

The great British dream suffers a severe setback

THE GREAT British dream of capturing the Davis Cup for the 10th time, after a gap of 42 years, received a severe jolt in just 74 minutes on Saturday when Stan Smith and Bob Lutz won the doubles match for America.

They completely destroyed Mark Cox and David Lloyd, 6—2, 6—2, 6—3, at the Mission Hills County Club, Palm Springs, under the Californian sunshine.

This overwhelming win gave the United States a 2—1 lead following the dramatic events of Friday when, after 19-year-old John McEnroe had decisively beaten the British No. 2 John Lloyd, 6—1, 6—2, 6—2, Buster Mottram came back from being match point down at 6—7 in the long third set to level the tie by beating Brian Gottfried 4—6, 2—6, 10—8, 6—4, 6—3.

With the dynamic McEnroe due to play the opening match on the final day against Mottram, both teams knew that the doubles match would probably prove decisive.

The British captain Paul Hutchins was hoping that Cox and Lloyd, who had played together only once in a minor tournament before this year's Davis Cup campaign, would maintain the inspired form that had brought them victories over Jan Kodes and Thomas Smid of Czechoslovakia at Eastbourne in the European zone final and the 1977 Wimbledon champions Ross Case and Geoff Masters of Australia in the inter-zone final at Crystal Palace.

Tony Trabert, the experienced American captain, was looking for a third successive victory from Lutz and Smith, U.S. Open Champions, who had never lost a Davis Cup doubles rubber since they first represented America in 1968.

When the match began at midday the conditions were perfect—a bright sun shining out of a clear blue sky, a temperature of about 70 degrees and virtually no wind. The cement court, typical of those in California on which both Americans had learnt their games, was true and fast—a fact which Smith proceeded to demonstrate as he unleashed some thunderous serves to win the opening game.

Cox replied by holding to 15, Lutz got all but one first serve in as he held to love and then Lloyd, despite serving his only double fault of the match, came safely through to 30.

From two games all the Americans really began to click. They were crossing fast and early to cut off British service returns and combining beautifully as they swept through 10 of the next 12 games to build a lead of two sets to love.

Majestic

It was a majestic progress and Smith in particular was playing with tremendous confidence. He was everywhere—dashing across to cut off volleys, racing behind his partner to anticipate British drives down the line and hardly missing a return.

Poor Cox, who had looked understandably nervous at the start, was never allowed to relax. So quick were the Americans to appear in unexpected places that at times he must have thought there were four men on the other side of the net.

Lloyd, too, had started nervously, but by the end of the opening set he was beginning to show flashes of that inspirational brilliance which makes him, at his best, such an exciting and talented doubles player.

Unfortunately for British hopes he could not lift Cox with him. At two games all in the third set, the last hope was to snatch an unexpected service break and upset the Americans' rhythm. But Smith held his sixth service game of the match to 15 (he had dropped a total of only six points before that) and was smiling at the prospect of scoring his 17th Davis Cup doubles win—his 39th match in all for America, of which he has lost only seven, five in singles and two in doubles.

By contrast Cox was still looking tense and when, at 15—40 in the next game, he tamely netted a backhand volley the prospects of a British recovery virtually disappeared.

It was appropriate that the last point of the last game—a crushing forehand volley—should belong to Smith. For, in spite of serving his first double fault of the match and facing a break point for the first time, the tall American had played thoughout with high skill and dominating purpose and, as always, with impeccable manners. He has contributed greatly to the dignity of the game in a long and distinguished career.

Let us admit at once that the British pair were outclassed but I would have liked to see them serving with greater power.

Both Cox and Lloyd seemed intent on rolling the ball in deep as they moved in fast to a volleying position. Thus the Americans were allowed to fall into a regular rhythm on their returns, instead of being kept guessing as to the pace and direction of the British deliveries.

Late in the match—too late—both Britons began to open their shoulders but by then their opponents were seeing the ball too well to be rattled.

Although there were only five clean American aces the British returns were so predictable that the American crossing tactics, which they had planned to adopt from the start, had the desired effect of blotting the British pair out of the game.

Although Mottram played with magnificent skill and courage to beat Gottfried in the slower conditions, produced by a near zero temperature under the floodlights on Friday, McEnroe is a player of a different calibre.

The 19-year-old American left-hander has proved conclusively that he is now among the three best players in the world. He has proved, too, that he has a temperament to match Bjorn Borg's.

The fact that he was playing his first singles for his country, against Lloyd and in the final at that, left him unaffected.

RUGBY UNION BY PETER ROBBINS

Still a Grand Slam—even if not the grandest

BY BEATING Scotland 18—9, the eighth All Blacks have achieved what their illustrious predecessors failed to do—the Grand Slam. So Graham Mourie, their popular captain, now occupies a unique place in the history of New Zealand rugby, denied even to such legendary figures as Kirkpatrick, Lochore, Whineray and Stuart.

How grand, though, is this slam—or is it just a small one? Probably somewhere halfway between the two in rugby terms, for by New Zealand standards this is not the best individually equipped team to leave that country. Where were the Meads, Lochores, Tremains, Goings, Battys and the others who have become household names? Despite the absence of such established players, this tour has been a great success, and clearly New Zealand will be back with the same players with that much more experience in years to come.

Looking back, it was perhaps the infrequency of previous tours that gave an aura of invincibility and specialness to those teams which was heightened by the sheer distance. Now, with the exclusion of South Africa from the international circuit, the All Blacks have become more regular visitors; and perhaps their teams have seemed, therefore, to be much frailer.

Why has this tour been so successful? I have always maintained that any club has to have its administration right before the playing side can possibly function efficiently. There have been some classic examples of the truth of this throughout English rugby, and this New Zealand side has certainly been managed and coached quite brilliantly.

Like good half-backs, Russ Thomas and Jack Gleeson have mastered their individual roles without losing sight of the demands of their partnership. Thomas has been frank and sincere in his speeches, and Gleeson has confined himself to to the physical and psychological preparation of the team.

Responsibility

Setting aside for the moment the playing record (of which more next week) the All Blacks have been very much a team on and off the field, which is more than could be said for their 1972-73 team. Off the field they have gone out of their way to make friends and to do the things expected of tourists, but which nevertheless are still a chore. For example, at Swansea on the Monday before their game against West Wales, two of the party were detailed to go to the club dinner. Three other players volunteered to go as well.

This sort of gesture and sense of responsibility, and the willing visits to schools and hospitals, have all indicated a unity that has been the hallmark of their play on the field. There have been the occasional lapses of discipline, but never anything too serious.

They have been helped, of course, by the recession in British rugby, although only England failed to give them a really hard game in the international series. Wales alone can claim to have had any degree of supremacy in the tight, and this was an area where logically we might have expected the British teams to be better equipped and organised.

Now the end of the tour is in sight, and while the biggest stastical hurdles are behind them, the game against the Barbarians next Saturday probably presents the greatest challenge to Gleeson personally and the All Blacks collectively.

Many interesting questions are posed, such as how much liberty will the coach allow? How much do the players actually want to take, and is it in this team to express itself in any other way than we have seen?

The 1973 game between these two sides proved a real classic, but those teams were dripping with infinitely more talent than their successors. That is not to say that the game will be any the less exciting, but I should be surprised if it did not end in a convincing victory for our popular visitors.

RACING BY DOMINIC WIGAN

Trainer Dingwall can land long-distance double

ALTHOUGH he finished only third, beaten one length and 1½ lengths by The Snip and Zongalero, Bachelors Hall looked an unfortunate loser of Saturday's Massey-Ferguson Gold Cup.

Always travelling well in the big Cheltenham handicap, Peter Cundell's high-class eight-year-old seemed sure to defy top weight of 12 stone as he rapidly picked up ground on the two leaders after sailing over the final fence.

However, Mick O'Halloran then switched Bachelors Hall to the far rails and in a matter of strides it became clear that the gamble would fail. Stephen Smith-Eccles, who had led the field on Zongalero by six lengths turning into the home straight, naturally took advantage of the sitaution. He eased his mount on to the rails, allowing no sort of a passage for the top weight. The Snipe, one of the two bottom weights, was by that time away with the £7,300 first prize and £400 gold cup.

Some 20 minutes after The Snipe had given the Webber family their most important success at the home of National Hunt racing, Rodman appeared to confirm Fred Winter's view that he is not a Champion Hurdler in the making when Hurdler in the making when finishing only third at Lingfield, behind Freight Forwarder and Rushmere.

It could be argued that Rodman needed the outing—his first of the season—but a future Champion Hurdler would have overcome that handicap in such company. Bookmakers are taking no chances, however, and Rodman remains a 20-1 chance for the Waterford Crystal prize, an objective which I believe Winter will consider beyond his Relko gelding.

Turning to today's racing, Jonjo O'Neill seems to be the man to follow. He has a number of likely looking mounts at Teesside, where I am particularly hopeful that he can land the opening and closing events—divisions of the Guisborough Novices Hurdle—through the stablemates Supreme Love and Royal Audition.

These four-year-old hurdlers, sent on the 600-mile round trip by Charles Dingwall of East Ilsley, both ran well on their only previous outings this term.

Supreme Love, who might have run out a 33-1 winner of a similar event at Worcester three weeks ago but for lack of peak fitness close home, has little to beat in Division 1 and is suggested with confidance.

TEESSIDE

12.45—Supreme Love***
1.15—Cleo's Asp
1.45—Tamalin*
2.15—Keren Park
2.45—Noble Hart
3.15—Royal Audition**

Dutch buy East Anglia farms

DUTCH FAMILIES are buying an increasing amount of farm land in East Anglia, a Norwich estate agent said yesterday.

Reporting a 50 per cent increase in the price of best Norfolk farmland, Mr. Derek Turnbull said: "The Dutch are buying up the bigger farms and this is pushing up the price of the smaller one, as well."

Farmland in England, particularly East Anglia, was proving a good investment for them. He added that with Norwich Airport providing daily flights to Amsterdam, many Dutch families were settling in the Eastern Counties and commuting to Holland.

TV Radio

† Indicates programme in in black and white

BBC 1

12.45 pm News. 1.00 Pebble Mill. 1.45 The Flumps. 3.15 Songs of Praise. 3.53 Regional News for England (except London). 3.55 Play School (as BBC 2 11.00 am). 4.20 Maxidog. 4.25 Jackanory. 4.40 Tarzan, Lord of the Jungle. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 Ludwig.
5.40 News.
5.55 Nationwide (London and South-East only).
6.20 Nationwide.
6.50 It Ain't Half Hot Mum.
7.20 Tycoon.
8.10 Panorama.
9.00 News.
9.25 The Monday Film: "Steelyard Blues," starring Jane Fonda.
10.55 Tonight.
11.35 Weather/Regional News.

All Regions as BBC 1 except at the following times:—

Wales—1.45-2.00 pm Pili Pala. 4.40-5.00 Duwiau Ac Arwyr. 5.55-6.20 Wales Today. 6.50-7.20 Heddiw. 11.35 News and Weather for Wales.

Scotland—5.55-6.20 pm Reporting Scotland. 11.35 News and Weather for Wales.

Scotland—5.55-6.20 pm Reporting Scotland. 11.35 News and Weather for Scotland.

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55 Scene Around Six. 6.20-6.50 Land 'n' Larder. 11.35 News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

10.05 am The Role of the Nurse.
10.30 Educate, Agitate, Organise!
11.00 Play School.
2.30 pm Roads to Conflict.
3.00 Knitting Fashion.
3.30 Making Toys.
4.00 Parents and School.
5.35 News on 2 Headlines with sub-titles.
6.50 And Now the Good News...
7.15 Mid-Evening News.
7.20 Chronicle.
8.10 An Evening with Andy Williams and Benny Green.
9.00 Monty Python's Flying Circus.
9.30 The Body in Question.
10.20 Word for Word.
10.50 Exploring Photograph.
11.15 Late News.
11.30 Closedown.

LONDON

9.30 am A Reason for Living. 10.00 McMillan and Wife. 11.35 Survival. 12.00 Paperplay. 12.10 pm Rainbow. 12.30 England, Their England. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 About Britain. 2.00 After Noon. †2.25 Monday Matinee: Jack Palance in "Attack." 4.20 Clapperboard. 4.45 The Paper Lads. 5.15 Mr. and Mrs.
5.45 News.
6.00 Thames at 6.
6.25 Help!
6.35 Crossroads.
7.00 Bernie.
7.30 Coronation Street.
8.00 Robin's Nest.
9.00 The Streets of San Francisco.
10.00 News.
10.30 Monday Night Film: "Rider in the Rain."
12.35 am Close: A painting by Monet with music by Debussy.

All IBA Regions as London except at the following times:—

ANGLIA

9.35 am Child Life in Other Lands. 10.05 Portrait of a Village. 10.30 Something Special. 11.15 Where the Hell Are We? 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 12.30 pm Out of Town. 1.25 Anglia News. 2.00 Houseparty. 2.25 Mystery Movie: McMillan and Wife. 5.15 University Challenge. 6.00 About Anglia. 9.00 Twist in the Tale. 10.30 Feature Film: "The Bravados," starring Gregory Peck. 12.15 am Reflection.

ATV

9.40 am Something Different. 9.55 The Golden Age of the Cinema: "The Grapes of Wrath," starring Henry Fonda. 12.30 pm George Hamilton IV. 1.20 ATV Newsdesk. †2.25 Movies to Rember: "Fanny by Gaslight," starring Phyllis Calvert and James Mason. 5.15 In Search of ... Shark Worshippers. 6.00 ATV Today. 10.30 Left, Right and Centre. 11.00 The New Avengers.

BORDER

9.30 am The Undersea Adventures of Captain Nemo. 9.35 The Lost Islands. 10.00 Portrait of a Village. 10.25 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.55 The Old Sweet Sugar Doughnut. 12.30 pm Wildlife Cinema. †1.20 Border News. 2.00 Houseparty. †2.25 Matinee: "To Be or Not to Be," starring Jack Benny and Carole Lombard. 5.15 University Challenge. 6.00 Lookaround Monday. 6.20 Cartoon Time. 7.00 Mr. and Mrs. 9.00 Family. 10.30 Pro-Celebrity Snooker. 11.15 Barnaby Jones. 12.10 am Border News Summary.

CHANNEL

1.18 pm Channel Lunchtime News and What's On Where. 2.25 The Monday Matinee: "Windom's Way." 5.15 University Challenge. 6.00 Channel News. 6.10 The Beachcombers. 7.00 Botanic Man. 9.00 Richie Brockelman. 10.28 Channel Late News. 10.32 The Horror Film: "Dracula Has Risen from the Grave." 12.10 am Channel Gazette followed by News and Weather in French.

GRAMPIAN

9.25 am First Thing. 9.30 Canada at War. 10.00 Portrait of a Village. 10.25 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 12.30 pm Make It Count. 1.20 Grampian News Headlines. 2.25 The Regions Report. †2.55 Monday Matinee: "Background," starring Valerie Hobson. 5.15 University Challenge. 6.00 Grampian Today. 6.05 The Electric Theatre Show. 10.30 The Monday Film: "The Beguiled," starring Clint Eastwood. 12.20 am Reflections. 12.25 Grampian Late Night Headlines.

GRANADA

9.30 am Sesame Street. 10.25 Survival. 10.50 Valley of the Dinosaurs. 11.10 Look at Life. 11.20 Untamed World. 11.45 A Handful of Songs. 12.30 pm Farmhouse Kitchen. 1.20 Dodo. 2.25 Monday Matinee: "Crooks and Coronets." 5.10 What's New. 5.15 Crossroads. 6.00 Granada Reports. 6.30 Botanic Man. 9.00 Rafferty. 10.30 Reports Politics. 11.00 Mystery Movie Premiere: Lanigan's Rabbi.

HTV

9.35 am Sport for All. 10.05 Portrait of a Village. 10.30 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.50 The Sweet Sugar Doughnut. 12.30 pm Make It Count. 1.20 Report West Headlines. 1.25 Report Wales Headlines. 2.00 Houseparty. 2.25 The Regions Report. 2.55 The Monday Matinee: Columbo. 5.15 The Undersea Adventures of Captain Nemo. 5.20 Crossroads. 6.00 Report West. 6.22 Report Wales. 10.35 The Monday Film: "Deadfall," starring Michael Caine and Nanette Newman.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 pm Penawdau Newyddion Y Dydd. 2.00-2.25 Hamdden. 6.00-6.22 Y Dydd. 8.30-9.00 Yr Wythnos.

HTV West—As HTV General Service Service except: 1.20-1.30 pm Report West Headlines. 6.22-7.00 Report West.

SCOTTISH

9.30 am Loch Lomond. 10.05 Portrait of a Village. 10.30 Search for the Super. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.50 The Sweet Sugar Doughnut. 12.30 pm Farmhouse Kitchen. 1.25 News and Road and Weather. 2.25 Regions Report. 2.55 Monday Matinee: "Mrs. Sundance," starring Elizabeth Montgomery. 5.15 Cartoon. 5.20 Crossroads. 6.00 Scotland Today. 6.25 Crimedesk. 6.30 Wait Till Your Father Gets Home. 9.00 Rafferty. 10.30 Sermon on the Mount. 11.00 Late Call. 11.05 The Detectives: Columbo.

SOUTHERN

9.30 am Adventures in Rainbow Country. 10.05 Portrait of a Village. 10.30 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.50 The Sweet Sugar Doughnut. 12.30 pm Make It Count. 1.20 Southern News. 2.00 Houseparty. 2.25 Monday Matinee: "Above Us The Waves." 5.15 The Undersea Adventures of Captain Nemo. 5.20 Crossroads. 6.00 Day by Day. 10.30 Southern News Extra. 10.35 Face to Face. 11.05 The New Avengers. 12.00 Farm Progress.

TYNE TEES

9.25 am The Good Word followed by North East News Headlines. 9.30 A Big Country. 10.05 Portrait of a Village. 10.30 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 12.30 pm Wildlife Cinema. 1.20 North East News and Lookaround. 2.25 Family. 3.20 Generation Scene. 3.35 Cartoon Time. 3.50 Lassie. 5.15 University Challenge. 6.00 Northern Life. 6.30 Police Call. 9.00 Twist in the Tale. †10.30 The Monday Film: "Inadmissible Evidence," starring Nicol Williamson and Eleanor Fazan. 12.15 am Epilogue.

ULSTER

10.05 am Portrait of a Village. 10.30 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.50 The Sweet Sugar Doughnut. 12.30 pm Make It Count. 1.20 Lunchtime. 2.00 See You Monday. 2.25 Regions Report. 2.55 Monday Matinee: "Mrs. Sundance." 4.13 Ulster News Headlines. 5.15 Cartoon. 5.20 Crossroads. 6.00 Reports. 6.35 Laverne and Shirley. 10.30 Monday Night. 10.40 Review. 11.10 In Search of ... Big Foot. 11.35 Bedtime.

WESTWARD

9.35 am George Hamilton IV. 10.00 Portrait of a Village. 10.25 Something Special. 11.15 The Grapes of Rothwell. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 12.27 pm Gus Honeybun's Birthdays. 12.30 Farmhouse Kitchen. 1.20 Westward News Headlines. 2.25 The Monday Matinee: "Windom's Way," starring Peter Finch. 5.15 University Challenge. 6.00 Westward Diary and Sports Desk. 7.00 Botanic Man. 9.00 Richie Brockelman. 10.28 Westward Late News. 10.30 The Horror Film: "Dracula Has Risen From the Grave," starring Christopher Lee. 12.10 am Faith for Life.

YORKSHIRE

9.30 am Friends of Man. 10.00 The Herbs. 10.15 The Nature of Things. 11.10 Clue Club. 11.35 Tell Me Why. 12.30 pm Farming Outlook. 1.20 Calendar News. 2.25 Family. 3.20 Heart to Heart. 3.50 Andy. 5.15 University Challenge. 6.00 Calendar (Emley Moor and Belmont Editions). 9.00 Twist in the Tale. 10.30 Pro-Celebrity Snooker. 11.15 Barnaby Jones. 12.10 Oscar Peterson Presents.

RADIO 1

(S) Stereophonic broadcast
‡ Medium Wave
(B) Binaural broadcast

5.00 am As Radio 2. 7.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Tony Blackburn. 4.31 Kid Jensen. 6.30 Staying Alive. 7.30-10.00 As Radio 2. 10.00 John Peel (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 David Allan (S) including 6.15 Pause for Thought. 7.32 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought 7.32 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Beethoven, Brahms (S). 4.15 Interval Waggoners' Walk. 12.30 Harry Rowell's Open House (S) including 1.45 Sports Desk. 2.30 David Hamilton (S) including 2.45 and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 John Dunn (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 BBC Northern Radio Orchestra (S). 7.30 Alan Dell: 7.30 The Dance Band Days. 8.02 The Big Band Sound (S). 9.02 Humphrey Lyttelton with the Best of Jazz on records (S). 9.55 Sports Desk. 10.02 The Law Game. 10.30 Star Sound. 11.02 Brian Matthew introduces Round Midnight including 12.00 News. 2.00 am News Summary.

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Sibelius (S). 10.00 Holiday Special (S). 10.20 Talking About Music (S). 10.55 BBC Symphony Orchestra concert, part 1: Shostakovich (S). 11.55 In Short (talk). 12.05 pm BBC SO, part 2: Shostakovich (S). 1.00 News. 1.05 BBC Lunchtime Concert (S). 2.00 Music for Organ (S). 2.45 Matinee Musicale (S). 3.50 Elliott Carter (S). 4.35 New Records of music by Vivaldi, Bach (S). 5.15 Bandstand (S). 5.45 Homeward Bound (S). 6.30 News. 6.35 At Home: The Voice of Frederica von Stade on record (S). 7.30 Messiaen, concert, part 1 (S). 8.25 Albert Camus: Artist or Moralist? (talk). 8.45 Messiaen, part 2 (S). 9.45 Beethoven's 'Ghost' Trio (S). 10.15 When Wales was a Village (S and B) illustrated talk. 11.15 Jazz in Britain (S). 11.45 News. 11.50-11.55 Tonight's Schubert Song (S).

RADIO 4

6.00 am News Briefing. 6.10 Farming Week. 6.26 Shipping forecast. 6.30 Today—magazine, including 6.45 Prayer for the Day. 7.00 and 8.00 Today's News. 7.30 and 8.30 News Headlines. 7.45 Thought for the Day. 8.35 The Week on 4. 8.45 John Ebdon and the BBC Sound Archieves. 9.00 News. 9.05 Start the Week with Richard Baker. 10.00 News. 10.05 Wildlife. 10.30 Daily Service. 10.45 Morning Story. 11.00 The Boy and the Shadow. 11.45 Listen with Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Top of the Form. 12.55 Weather; programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Afternoon Theatre (S). 4.35 Story Time. 5.00 PM: News Magazine. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.30 Dr Finlay's Casebook. 7.00 News. 7.05 The Archers. 7.20 From Our Own Corerspondent. 7.45 The Monday Play: "The Killing of Sister George," by Frank Marcus. 8.45 Torment and Rejoicing: Commemoration of William Hazlitt. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 The Sacred Grove (S). 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 9.00 London Live. 12.03 pm Call In. 2.03 206 Showcase. 4.03 Home Run. 6.10 Look, Stop, Listen. 7.30 Black Londoners. 8.30 Breakthrough. 10.03 Late Night London. 12.00 As Radio 2. 12.05 Question Time from the House of Commons. From 1.05: As Radio 2.

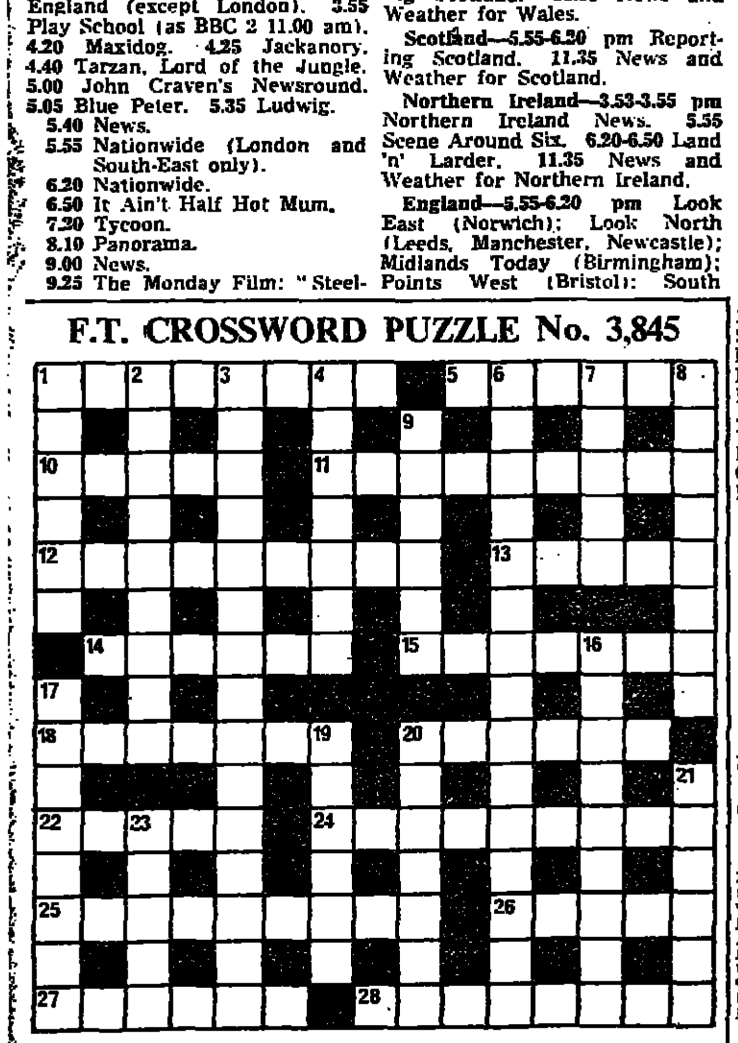
London Broadcasting

5.00 am Morning Music. 6.00 A.M.: non-stop news, information, travel. 10.00 Brian Hayes Show. 1.00 pm LBC Reports. 3.00 George Gale. 4.00 LBC Reports (continues). 8.00 After Eight. 9.00 Nightline. 1.00 am Night Extra.

Capital Radio

6.00 am Graham Dene's Breakfast Show (S). 9.00 Michael Aspel (S). 12.00 Dave Cash (S). 3.00 Roger Scott (S). 7.00 London Today (S). 7.30 Bryan Wolfe's Open Line (S). 9.00 Nicky Horne's Your Mother Wouldn't Like It (S). 11.00 Mike Allen's Late Show (S). 2.00 am Peter Young's Night Flight (S).

F.T. CROSSWORD PUZZLE No. 3,845



ACROSS

1 Look at rugby forwards having beauty treatment (4, 4)
5 Cause inflation to go off with a bang (4, 2)
10 Notice fellow who is solely concerned with promotion (5)
11 Member is returning it to church at end of war (9)
12 Contest in which competitors take some stick from each other (5, 4)
13 If you don't mind sound arguments (5)
14 Secure girl found inside bird (6)
15 Enduring amendment to bad rule (7)
18 Went with striker to paper head (7)
20 Hard to animate way round cover (6)
22 Quick to take flat opposite (5)
24 Notepaper best put down (5, 4)
25 Rex enters full of cheek and rash (9)
26 Composition without a catch (5)
27 Wanting a lot from one of the strings sounding like an oboe (6)
28 Complete liberty available to workman (4, 4)

DOWN

1 Cab determines whether to turn over stretch of land (6)
2 Clap—I'm not otherwise yielding (9)
3 1 per cent commission for girl enclosed (5, 2, 3, 5)
4 Insistent on man of few words joining social worker (7)
6 Twelfth Night on a fortnight's run (4, 11)
7 Complain of aspirated drink (5)
8 Urge soldiers to become reporters (8)
9 Threaten one member with object (6)
16 Shielded female in helmet as national symbol (9)
17 Wonderful part of tennis (8)
19 Port worker taking a short cut (6)
20 Get very hot on southern boxer (7)
21 Another diet Neddy prepared for publication (6)
23 Current the French find sufficient (5)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

IRCAM, Paris

Kagel's Ex-Position

by DOMINIC GILL

Any production of "serious" or "classical" music-theatre finds itself instantly tangled in a web of professional demarcation lines. In the popular tradition, the hyphen is commonplace: in jazz, or pop, in the music-hall, in revues and musicals, the actor-musician and the musician-actor are vital and often indistinguishable roles. But in the Academies which prepare performers for the "serious" professions, the disciplines are still taught, and received, in comparative isolation.

The classical shopfloor confrontation is as familiar to music-theatre producers as it is to shop-stewards: "It is not my job: it is not in the rules: I cannot do two things at once." Ask the average instrumentalist to perform a simple theatrical sequence and the result is usually self-conscious, sheepish ham. Ask an actor to identify, to fuse his part, with a musical score and he will reply: "But what am I supposed to be? I cannot *feel* the role." (At one point during the rehearsals for *Bow Down* at the National Theatre two years ago, which did eventually emerge as a remarkably successful and fruitful collaboration between musicians and actors, the composer arrived one morning to find his actors standing like frozen puppets in a line along the wall. "Pull the strings, OK?," they said, "and we will move.") Music annoys and confuses actors — unless it can be treated without the slightest ambiguity as part of the scenery. And serious musicians who can act, who have real stage-sense, are almost as rare as opera-producers who can think effectively in theatrical terms.

The obliterated hyphen between music and theatre has preoccupied the Argentinian-born German composer Mauricio Kagel for most of his career. No category fits Kagel neatly—in his youth a student of Ginastera, later a researcher of electro-acoustic techniques at Cologne, theorist, humorist, elaborate dadaist, he is best known today for his experiments in the ambiguous field that lies somewhere between "pure theatre" and "pure music." He sees the gulf that divides the two as a sad and unnecessary accident. He also finds it amusing: in his description of *Dressage*, a sad, serious joke for a trio of wooden percussion instruments first performed in Metz last year, Kagel noted that "correspondences between the world of music and that of the circus reveal themselves quite often. 'Serious music' above all, with its avoidance, *finement attristé*, of all expressions of amusement, is a good example of the permanent and reciprocal dressage — training — of composers, organisers, interpreters and, not least, the public itself."

Detached amusement, earthy circus humour, and fine dramatic timing are the keys to all of Kagel's works. They also go some way to explain the pallid, unfocused and often confusing impression left by some Kagel performances given by professional musicians: the message has back-fired, the dressage has come home to roost. In his latest theatre-piece, *Ex-Position*, first performed in Oslo last September, and then presented in the opening series of IRCAM's underground *Espace de projection* this month, Kagel's wonderfully apt and successful (if temporary) solution to the perennial problem was to use neither actors nor musicians, nor even professional dancers, on stage, but a troupe of ten gymnasts from the Sport Hochschule in Cologne.

Like Peter Maxwell Davies' schoolchildren at Cirencester, who discovered they could play and sing "difficult" atonal scores (since no one had yet told them they couldn't) with pleasure, accuracy and ease, Kagel's gymnasts took to their musical-dramatic task with marvellous precision and panache. The musical co-ordination was faultless; nor was there any trace of stiffness in the movement. Happy inspiration!—and for all of us in the audience ready to witness the usual uncomfortable compromise, happy release.

Ex-Position is a composite work, dedicated to "the impossible marriage of serious and popular music," combining two quite independent scores: *Rhythm-machines* for gymnasts (or dancers), two percussionists, and a selection of rhythm-generators such as those found on dance-band electric organs; and *Chorbuch*, a sequence of arrangements and transformations of 53 Bach Chorales (43 in this performance) for amplified mixed choir and piano. It is an exuberant and gripping 90 minutes, sometimes wildly funny, sometimes gravely beautiful—but never pallid, never vulgar, never predictable. *Rhythm-machines* and *Chorbuch* are independent pieces: yet they seem made for each other—I doubt if either could make such forceful impact alone. The counterpoints and harmonies of the Bach Chorales are modified and re-composed according to a system of "non-linear transposition" — quicksilver baroque *dream-fragments*, by turns quietly intoned, urgently shouted (loudhailers are sometimes used), whistled in chorus, dissolved into lyrical sweetness, re-assembled in a pointillist scatter of pitches and timbres.

In *Rhythm-machines*, the gymnasts themselves choose the repertoire of rhythms to be produced by the mechanical generators and both they and the percussionists match their performance to the sequence—a bossa-nova maybe for conga and cowbells; a tango for claves and cymbals; a bongo for jazz-shuffle and maracas, a habanera for bass drum. The gymnasts use the music as a rhythmic springboard for their twin preoccupations—with cloth, tissue, material and with sporting gesture. The cloth is always an obstacle to the gesture: the gymnastics of a heavy bandage; the boxing of a pair of shorts which have lost their elastic; the kneeling of a huge scarf; the bicycle-trip of a cape caught in a bicycle-chain. There is much ironic and humorous potential which the Cologne athletes were never slow to exploit: as Kagel notes—"there is only the lightest displacement of accent between the activities of the civilian sportsman and the soldier in training." Tug-of-war into Morris-dance into rugby-scrum: the visual transformations, too, have their musical movement. A magical piece, light and delicious, full of quick and delicate resonance, not intended for (or even susceptible to) weighty analysis, best seen and enjoyed, like a fine circus act, just once.

David Dixon (left) and Patrick Hannaway

Leonard Burt

Hippodrome, Birmingham

The Midsummer Marriage

by MAX LOPPERT

Mounting the third production of *The Midsummer Marriage* is one of the best things the Welsh National Opera has done in its short but already distinction-crowded history. In a time of alienation and uncertainty, Tippett's first opera remains unique, and uniquely valuable—a celebration of life. It is an opera in a special category, one of those works capable of enriching and enlarging the vision of its audience. (Certainly, picking a path through the nightmarish city centre of Birmingham after Saturday's performance, one was sustained with unusual fortitude). After two years of touring the country with the opera, and prior to taking it to Lisbon in February, the company radiates an air of enthusiastic commitment to the work, and and an exhilarating confidence in their ability to do it justice, that justify any amount of pride.

It is above all in its serenely easy execution of the music that the performance achieves its triumph. *The Midsummer Marriage* is not a difficult opera for the listener; but joy in its inexhaustible generosity of invention and spirit may make one forget how many difficulties lie in wait for the player and the choral and solo singer—the bustling, bubbling quantities of notes in all parts that require a clean, clear integration into the ensemble, the pulsating additive rhythms with their dancing syncopations that must be absorbed into the performer's bloodstream, the fact that every element must be lyrical at every moment.

Richard Armstrong conducts his forces, and they respond, as though these were never problems. The advantage, but also the achievement, of having given the work so often was recognised in every aspect of Saturday's performance: a rare glow on the instrumental tone, a rare buoyancy and fullness (even by Welsh standards) in the choral utterances.

Ian Watt Smith's production, in Koltai sets and Stubbs costumes, has been much admired, and deserves every ounce of praise for the ingenuity of the producer's solutions to a subject bristling with pitfalls, and for the harmonius patterns into which the stage events are allowed to fall. In one respect, though, it was for me (who had not seen the show before) a slight disappointment; for no more than the previous Covent Garden production does it come fully to grips with the panoply of scenic requirements in Tipett's libretto. I hope that when the opera is next produced in this country its team of producer and designer will have the courage to set the opera naturalistically. Tippett's play of symbols is not easily understood: but a set made of formalised shapes and patterns rather than of the recognizable locations—temple, wood and hill—around which the symbols play seems to me to add a further layer of comlexity to what, in the music at least, is profoundly clear and comprehensible. It also seemed to me a pity that the transfiguration of Mark and Jenifer was not given to a more concrete stage relalisation. A side-effect of this was that their offstage voices, in "Sirius rising as the sun's wheel," failed to climb to the top of the chorus and orchestra.

On Saturday, there was one, somewhat unexpected newcomer to the roster—Mark Hamilton, who at short notice stepped in for the indisposed Arthur Davies, and who played Jack for the first time, with attractive shy boyishness and in sweet, true tones; no doubt the voice will ring out more with longer practice in the role. Otherwise, it was a splendidly experienced cast, in whom freshness and ease were equally matched: Felicity Lott golden and fearless in Jenifer's difficult music. John Treleaven a boldly sonorous Mark. Mary Davies delightfully direct and un-soubrettish as Bella. Over the Delphic public address system—a slightly disconcerting effect, this—Anne Collins sang Sosostris' aria with magisterial breadth and steadiness. The dancers outlined Terry Gilbert's intelligently conceived dances with a gleam. It was, in sum, a company performance of great security and conviction, and in opera that, as I was remarking the other day, is the highest kind.

New End

Flashpoint

by B. A. YOUNG

The vagaries of the Northern Line deprived me of nearly half an hour of Gerrard Thomas's first act. So I was not told why "next year" the British Army had gone back to shooting its deserters, a practice abandoned even in the second world war, or why the firing party, detailed without any kind of selection, slept in their boots. "Next year," the quality of the Army will have diminished sadly, for one young soldier, his mind turned by the prospect of having to execute one of his comrades, is able to hold up five of his comrades, including a lance-corporal, with his rifle, though opportunities to disarm him occur every five minutes. The lance-jack is even asked by the neurotic Pte. Santo to move all the small arms across the room, which he does by slinging them over his arm.

The obscurties are cleared as soon as you realise that this play is only propaganda to the effect that Army service in Ireland is demoralising, and that the Army should be somewhere else, if anywhere at all. So we are given a set of toy soldiers from any popular tale you like, with a barrack-room comic (Tony Selby) who of course turns out to be the hero, a fighting Scot (Patrick Hannaway) who gets shot for his belief that a firing squad is just part of his duties, a thoughtful lance-corporal (Philip Marchant), and, offstage, a sergeant who is a bully and an officer who is an ass.

The sergeant make a live appearance at the end and explains that although he has told Santo (David Dixon) that the execution is cancelled and the disturbance can stop, the truth is that there never was any execution, the whole thing was only an exercise by Psychological Warfare. His reward for this service (somewhat delayed, as the Scot has been lying wounded on the floor all evening and it's been touch and go whether he is joined there by the rest) is to be beaten up by the comic.

Then there is a surprise ending; but since the whole thing is such an unbelievable load of rubbish I would not have been surprised if Mr. Callaghan had entered through the roof in a helicopter. Service in Northern Ireland is about as nasty as service can be. I should have thought that holding the forces up to obloquy like this was not the way to make it better. In any case, Mr. Thomas should know better than to invest an unreal situation and then attack it; and this is unreal in detail after detail.

ICA Theatre

The Free Fall

by MICHAEL COVENEY

The touring group, Foco Novo, are back at the ICA with a play that both disappoints and promises much. The promise is shown by a new playwright, Colin Mortimer, who combines a common sense view of the world with a sharp ear for the Ayckbournian nuances of middle-class speech patterns that disguise emotional pain and embarrassment. The disappointment lies in the ultimately inadequate treatment of a fascinating subject: the spiritual and physical hi-jacking of an ordinary girl, on the threshold of drama school, by a bunch of Bible-punching freaks in the name of Jesus.

Too much about these people is left unexplained. We learn that the sect is run by a shady offstage millionaire ex-lorry driver, an American called Abe. Roland Rees's fluid production never suggests that any of the chosen are sincere in their mission, the company of eight maintaining a sceptical distance from their characters that the script seems to demand. Nor do we learn very much about the actual brain-washing techniques that reduce young Nina (Sharman Macdonald) to a figure of quivering indecision between two worlds.

Recent events in Guyana lend a neat topicality to the theme, but we are spared any scenes of mass suicide at the end. Nina, grown strong in her spurious conviction, has a child by a fellow lunatic and is off to spread the word and cheat money in the name of charity and the Church in Santiago. Simultaneously, we are left with the sad image of her mother weeping among the nursery rhyme books. Nina's parents, in fact, are the most interesting people on stage—Dad is a would-be Labour councillor working in research into cereal crops, while Mum's union activities as a teacher go by the board in the domestic chaos. Mr. Mortimer writes touchingly for the oldsters, but his criticism of the sect is repetitive and oddly uniformative.

An adept, pleasant company boasts good work from Peter Wight as a comically rigid Svengali figure and Beth Ellis as the rejected grandmother.

Royal Court

Wheelchair Willie

by B. A. YOUNG

Those who prefer not to see the unbearable represented on the stage can write off Alan Brown's *Wheelchair Willie* at once, and need read no further.

Mum—given a performance by Frances de la Tour that I shall never forget—has two children, Willie and Sue. Willie is paralysed from the neck down; though he is goodnatured and intelligent he has no control over his sphincter muscles and his pants are generally filthy. By the end of Act One he has had his tongue torn out, probably by the television fitter Teddington Ted, and been abandoned on the motorway.

Sue, a schoolgirl when we first see her, looks after Willie with devotion. When we last see her, five years on, she has had three bastard children by Ted—Kojak, four, whose head his father kicks in; Columbo one, who is incinerated with a blowlamp by his grandmother when he won't stop crying; and a third nameless, baby who has survived a miscarriage in the lavatory pan.

Besides being Sue's common-law husband, Ted is a repressed homosexual who is reported having sex with a young West Indian boy on the landing and makes his last entry in drag, though wearing the steel-capped boots he has killed Kojak with. Mum and Janet (Sue's schoolfriend who, after teaching Willie the joys of sex, makes a fortune on the game) would have emasculated him with a flick-knife if Sue had not begun her miscarriage at the same moment.

There is also Aberdeen Angus, a fly-by-night lorry driver who is a former love of Mum's but now prefers shop-window dummies.

Leonard Burt

Tony Rohr and Carrie Lee-Baker

As all these horrors are at their climax, Willie, who has disappeared between the acts, descends from Heaven in a golden wheelchair and takes possession of the new baby while the flat is consumed by fire.

Now the odd thing is that, ghastly as all these matters are, and presented in appropriately revolting language, I found the play compassionate and even poetic, though Mr. Brown's lack of economy in his second act, where too much outrage is piled together, blurs what should be an impressive culmination.

Mr. Brown displays these things as unemotionally as an alien scientist examining the life of the earthman. He shows no more disgust than, I suppose, Dr. Harker of Cambridge showed when she cut off the legs of a cockroach and grafted it to another cockroach to watch its daily rhythms. Nothing Mr. Brown records is beyond belief except the concentration of so much horror in so small a community. Why he should choose to deal with such things, not only here but in his other writings, is another matter. He will give no one any pleasure; the titters of laughter I heard on Saturday sounded self-defensive to me. He offers no remedies. Perhaps, like Terence and the News of the World, he just thinks nothing human to be alien to him.

The production by Max Stafford-Clark is outstandingly good. Miss de la Tour's iron-voiced Mum battles against visible hunger and fatigue to maintain a home; Tony Rohr, reciting *Finnegans Wake* in his sleep, and Carrie Lee-Baker play her two children; Alfred Molina and Robert Walker are the two men. Willie's jet-driven heavenly wheelchair brings the only touch of glamour to Peter Hartwell's distressful sets.

Sadler's Wells

Then You Can Only Sing

To have the aghast wind taker out of of one's sails by the object of one's dismay is disconcerting. The trick was turned on Friday night when I saw Siobhan Davies' latest work which is set to words and accompaniment by Judyth Knight. Miss Knight, who appears on stage with the cast of five girls, intoned the following lines in the flattened *sprechgesang* which is her chosen medium: *This is decidedly weird/This is not what I came to see/This is like something I've always feared.* My sentiments exactly.

I have admired Siobhan Davies' dance pieces from the stunning *Pilot* which first told of her splendid gifts. And now she has produced an exercise which looks like dance-therapy-time in a progressive women's prison. Davies and her four companions are depressingly outfitted in what I can only assume is gaol garb; they sit on chairs, and are then impelled singly and severally into dances while a rhymed text, by turns sentimental and arch, is dogged at every turn by a piano and cello.

I find myself totally bemused by the event. It is not, I think, satiric; it is then serious, and I cannot take one moment of it seriously. Limping verse, unadventurous and expressionistic dances which even in the best number—Davies' own solo, evocative of Jane Dudley's splendid Blues—lack that originality and poetry that is in every other Davies work, these seem to me the components of an earnest creation I cannot, with the best will in the world, understand or appreciate. Every good choreographer produces ballets that misfire—they are a necessary part of artistic progress; I woul dsuggest that this new piece is Siobhan Davies' statutory false step.

CLEMENT CRISP

Purcell Room

Webern Festival—2

At the second of its seven concerts on Friday evening, the London Sinfonietta's "Schubert/Webern series," which is actually the most comprehensive festival of Webern's music ever devised, seasoned with a sprinkling of Schubert, offered another selection of unknown, little-known or plain neglected Webern works.

The special joys of the programmes so far have all of them been the little-known early works: at the first concert, the *Three Orchestra Studies on a Ground* of 1907 (studies for the Passacaglia op. 1) and the lovely *Im Sommerwind* of 1904; and on Friday, the very beautiful *Langsamer Satz* of 1905 for string quartet—a single movement of luxuriant early Schoenbergian richness—and two very early groups of songs for mezzo and piano composed between 1899 (when Webern was only 15) and 1904. The later group of eight especially showed Webern's instinctive grasp of the new extended tonality — echoes abound, of Wagner clearly, in a marvellous "Heimgang in der Frühe," and of Wolf in a splendidly insitent Goethe "Blumengruss" (though not of Wolf's own setting); but they are echoes merely, not pastiche. The technique is Schoenberg's, but the voice of the young pupil is already distinct.

Performances were of variable quality. The mezzo soloist, in warm and easy voice, was Sarah Walker—and not, as our programme indicated (no change was announced), Alfreda Hodgson. Two pairs of contrasting early and later pieces for solo piano—a late-romantic *Satz* and *Sonatensatz* of 1906, and two tiny miniatures barely a minute long from the Middle 1920's—were correctly, rather drily given by Bruno Canino, as was also later, with similar exactitude, the well-known Variations op. 27.

The string-quartet and other solo performances — including those of the *Langsamer Satz*, the Six Bagatelles op. 9 rearranged (as a Webern manuscript recently discovered to include an additional piece suggests) into a four-movement Second String Quartet and Three Pieces, and a little student sketch of a Scherzo and Trio—all had a certain genial, homespun air.

DOMINIC GILL

Emily Anderson Prize

The Royal Philharmonic Society has announced that the fifth competition for the Emily Anderson Prize for Violin Playing will be held in London at the Wigmore Hall from June 27-29, 1979. There will be four awards, of £1,000, £500, £250, and £100.

The competition is open to violinists of any nationality between the ages of 18 and 30 on April 11, 1979.

Application forms and details may be obtained from: The Administrative Secretary, The Royal Philharmonic Society, 124 Wigmore Street, London W1H 0AX.

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Mr. Vance's speech

RELATIONS BETWEEN the U.S. and western Europe are changing. They probably reached their low point in 1973 with the Middle East War and the oil embargo. Ever since then, however, there has been a steady improvement to the point where today relations are as good as ever. Yet there has also been a shift in the balance of power within the Atlantic Community. Western Europe today is more assertive in international diplomacy, and the U.S. more reticent than would have seemed likely only a few years ago.

The change has come about without any great Trans-Atlantic bickerings or rivalries. At the same time, there has been no sign that the rise of Western Europe and the relative decline of the U.S. have had any destabilising effect on relations between East and West. It is almost as if the aim, much canvassed during the Kennedy administration, of building the twin towers of the Western Alliance has been achieved nearly twenty years after it was first expressed.

It was broadly to this theme that Mr. Cyrus Vance, the U.S. Secretary of State, addressed himself when he spoke to the Royal Institute of International Affairs in London at the weekend. His speech was of note because it was the first time that a senior member of the Carter Administration had attempted to make a major policy statement on the specific question of European-American relations. Yet although Mr. Vance was perceptive enough in his analysis of the developments of the past few years, he left a number of question marks about the future which suggest that today's opportunities will not necessarily be fully exploited.

The Secretary of State's language about Europe was impeccably diplomatic. "A strong Europe," he said, "is good for a strong America." There were also references to Europe's assumption of growing responsibilities, as well as a carefully-phrased welcome for the beginnings of the European Monetary System. There was nothing to fault either in Mr. Vance's emphasis on what he called "the broadened international agenda." The items here include the changing patterns of international trade, future energy requirements, nuclear proliferation, conventional arms control, and environmental protection.

Yet it is one thing to list the items and another to do something about them. Most of those subjects have dominated foreign policy seminars, especially in the U.S., for more than a decade. As problems for the future, they were foreseeable and foreseen. It is, of course, welcome that they should now be recognised by heads of Government, and it is no less welcome that there is now a wider official recognition of the interconnection between events in the economic and political fields. The weakness of the dollar, for example, could not go on indefinitely without having a corresponding effect on American power, though it took some years for that fact to be generally accepted.

At the same time, however, it is hard altogether to avoid suspicion that the Americans have come to feel virtuous merely because they have acknowledged the problems, and that the Europeans have come to feel mature merely because the Americans have become less confident. That is a quite different matter from reaching solutions. Indeed, it makes the present relative harmony in the Atlantic Community seem almost fortuitous.

Opportunities

The fact is that this coincidence of events has brought about quite remarkable opportunities. It is indicative of the improvement in US-European relations that the Carter Administration has been able to involve itself so deeply in the Middle East without running into European sniping. But there is also a chance—not yet taken—to reform the international monetary system in a way that would take some of the burden off the dollar. There is a chance, too, to complete the North-South dialogue on trade with developing countries. In much of the rest of the world today, the situation is fluid. In the Atlantic Community, it is ripe for co-operation. But to achieve it will require more than rhetoric and more than good intentions. Mr. Vance's speech was strong on the latter. It has yet to be seen whether either Europe or America is ready to put them into practice.

Criteria for intervention

MINISTERS AND civil servants have often been tempted by the idea of picking out certain industries as likely "winners" in international trade. The notion is that in, say, diesel engines or construction equipment or office machinery British companies have achieved, or can be encouraged to achieve with appropriate support from public funds, a position of international leadership; the Government should do everything it can to build on these strong points, whether through intervention by the National Enterprise Board, preferential purchasing by state-owned corporations or straight financial assistance. This selective approach has been tried in other countries, notably France; a firm of international management consultants has recently suggested that Sweden should follow a similar course.

Similarities

The problem is that the criteria on which the selection should be based are extremely difficult to define. The difficulties are usefully illustrated in a report published today by the Sussex European Research Centre, which compares the structure and competitiveness of the engineering industries in Britain, France and Germany. The dominance of Germany in this field is well-known; in 1975 Germany accounted for 22 per cent of all OECD exports of engineering products, compared with 9.2 per cent for the U.K. and 8.3 per cent for France. But what is interesting is that Germany's superiority extends over virtually all engineering products and branches.

The industries of the three countries are similar to each other in composition, make-up of costs and pattern of factor inputs. The report concludes that the German industry cannot be said to have been successful by specialising in particularly favourable branches or product groups. The "structure" of the industry is no more conducive to competitiveness than that of Britain or France.

Branch by branch comparisons carried out by the authors have not unearthed any secret weapons for achieving success. Indeed, they cast doubt on some of the often advocated ways of improving performance. While there appears to be a positive association in both Britain and Germany between high pay and trade performance (indicating the importance of human capital in competitiveness), there is no such relationship between investment and export success: by one test it is the less capital-intensive sectors in Britain which show a better trade performance. It is not the amount of investment, but the way in which the investment is used, which determines whether particular sectors and companies are successful in world markets.

In all three countries there is a positive correlation between the proportion of output exported and the extent of import penetration of the home market for the same general categories of products. This suggests a strong element of specialisation and intra-branch trade within the various branches of engineering which can be vital to their efficiency. The idea that an industry should be protected from import competition while it rebuilds its international competitiveness has always seemed dubious and this evidence reinforces the doubts. Import barriers, by reducing the spur of competition, may make it less likely that the hoped-for reconquest of the home market will be achieved.

Middle ground

Most selective industrial policies take the form of stimulating the high-technology sectors and preserving the ones in decline. Since these two extremes are much the same in all the advanced countries, the efforts of each government are likely to be matched by its competitors and so in the end to be self-defeating. In engineering, as the Sussex study points out, most branches lie in the middle ground where it is much more difficult to formulate criteria for intervention.

If governments try to identify which particular engineering products have the best export prospects, they are almost certain to get it wrong.

Ghana: a country that has lost its way

By MARTIN DICKSON, Africa Correspondent

INCONGROUS IN the muggy heat of the Ghanaian December, a tinny recording of Oh Come All Ye Faithful sounds out across an Accra department store and its pathetically empty shelves.

With inflation running in triple figures and with an acute shortage of all types of consumer goods, many Ghanaians have come to have as little faith in their military rulers of the past seven years as the Bank of Ghana has foreign exchange.

It is difficult to convince them that since last July the Government had embarked on a sensible course of corrective measures which, if they are followed through properly, might restore Ghana to economic health during the next 30 months to three years. People cannot wait that long.

The country's deep-seated economic discontent has been demonstrated most clearly in a wave of 80 strikes and lock-outs since last May, involving more than 70,000 workers. These culminated last month in a series of stoppages by civil servants and workers in essential services (Accra was without power for 36 hours) which forced the government to declare a state of emergency.

Soldiers and politicians

It is against this inauspicious background that the military Government of Lt-Gen. Fred Akuffo is preparing to hand over power to a civilian administration next July.

It is hard to be sanguine about this operation. For one thing, it has been preceded by a running battle between the soldiers and Ghana's politicians and large professional elite about whether political parties should be allowed under the new system.

Right up until the week before last, the military was insisting that there must be no political parties. Instead, Gen. Akuffo proposed a "no party" interim National Government for at least the next four years, to see Ghana out of its economic mess. The politicians argued that this would simply not work, and they won the day: Gen. Akuffo then announced that the Government's ban on party politics—imposed when his predecessor, Gen. Ignatius Acheampong, overthrew the elected Busia Government in 1972—would be lifted from January 1.

But even within a party political framework, it is not easy to see a leader emerging in the next six months of the stature which may be demanded if this demoralised, drifting nation is to find its feet again.

Certainly, Ghanaians are well aware that a return to civilian rule, however welcome in itself, is no automatic panacea for the country's economic and political ills. If anything, it will be harder for a civilian government to continue the harsh economic measures so necessary to restore balance.

Under the Akuffo Government there has been a very substantial improvement in Ghana's political and economic climate compared to last July, when Gen. Acheampong was forced to step down by his fellow officers.

Gen. Acheampong had brought political tension to an intolerable pitch by his pursuit of the unpopular idea of "Union Government"—an alliance of the military, police and civilians. At the same time, his administration's increasingly unstable economic policies had contributed to a severe drop in living standards.

Admittedly, the 1973-74 oil price rise and two years of serious drought made the Acheampong Government's task very difficult, and in part explains why real GDP fell by 5 per cent a year in both 1975 and 1976 and has virtually stagnated since then. But the regime's policies aggravated its problems.

Gen. Acheampong refused to devalue Ghana's greatly over-valued currency, the cedi, which on the black market fetched less than a tenth of its official value by the time he fell. (His refusal to devalue was largely political, for in 1972 he had given a 44 per cent devaluation by the Busia Government as one of his main reasons for staging a coup.)

At the same time, deficit financing reached extraordinary proportions: in the 1977-78 financial year the budget deficit was more than cedis 2bn—roughly equal to expenditure for the previous year. The resultant recourse to the printing presses was a major factor in pushing the annual inflation rate towards 150 per cent.

Realistic policy

Ghana's habitual balance of payments difficulties, stemming from a high import propensity, grew worse and worse. By the end of April, the country had accumulated short-term debt obligations estimated at Cedis 403m. The pipeline for delayed payments for imports still stretches well back into 1977.

It was in June, just before Gen. Acheampong's fall, that the Government began to move hesitantly towards a more realistic economic policy, beginning a gradual downward adjustment of the Cedi.

But it was only after Gen. Akuffo took over that a more thorough-going change was instituted: by August the Government had devalued by 58 per cent, compared to June and in September it brought in a necessarily harsh budget designed to slash the budget deficit back to Cedi 800m for 1978-79.

Last month Gen. Akuffo sternly held firm against the public sector strikes which, if they had achieved the workers' demands, would have substantially increased the deficit. Instead, the civil servants' strike collapsed in the face of a Government ultimatum.

The Government is now negotiating with the IMF for drawings on its first and second standby credit tranches which are for a little over $50m. Although the IMF is understood to feel the Cedi is still over-valued, the Government hopes to reach an agreement with the Fund by the end of the month which will act as a catalyst in re-establishing Ghana's international credit-worthiness.

The Government has also begun investigating some of the maladministration and high level corruption which marked the Acheampong years, although cynics say that many of the big fish will escape.

An inquiry has been launched into the affairs of the Cocoa Marketing Board but it is far from clear whether this will shed any light on one of Ghana's biggest mysteries of what happened to its cocoa money. Why should it be that at a time of record world prices in 1976 and 1977, the country should have still been suffering such severe foreign exchange problems?

This can be partially explained by the serious decline in Ghana's production of cocoa, which lies at the heart of the country's economic difficulties. Ghana produced a mere 263,000 tonnes last year—its lowest figure since the late 1950s. Poor prices for the farmers were only one of several reasons for the decline of the crop.

But in part the cocoa mystery can also be explained by smuggling of the crop across the borders to the Ivory Coast and Togo in search of convertible currency.

Yet substantial sums of money—running into tens of millions of Cedis—still seems to be unaccounted for. Could they have been spent on equipment for the army or salted away in Swiss bank accounts?

Politically, the Akuffo Government's record is more open to controversy, but it has brought in a series of measures which have undoubtedly helped to create a more conciliatory climate.

It has released all the 300 or more political detainees held by the Acheampong Government, a large proportion of whom were arrested after a controversial referendum on "Union Government" last March. It has also given the Ghanaian Press a very large measure of freedom.

In fits and starts, the Government has also moved away from the "Union Government" concept. Instead, General Akuffo first proposed his "no party" interim National Government, which would hold power for at least four years pending a final decision on the system of government best suited for Ghana.

But the week before last he was forced to back down on this, partly because of persistent civilian demands for a party political system and partly because of the embarrassingly low poll recorded last month in local council elections held under the "no party politics" ruling.

In what appeared to be a face-saving exercise, General Akuffo still insisted that the political parties should come together next July in a Government of National Unity. But only a few people take his attitude very seriously. The belief is that if one party emerges next July with a clear majority, then it will form the government and there is nothing the army can do to stop this.

The local council elections, during which covert party activity took place, have already shown that from January 1 politics in Ghana is likely to be organised very much along the same lines as before the military stepped in. On the one hand there is the Progress Party of the late Dr. Busia, on the other is the Convention People's Party of the late Kwame Nkrumah.

If the local council elections are anything to go by — and given the low turnout they must be of dubious value—the Progress Party would at present appear best placed to win an election. However, both it and the CPP could well suffer leadership problems. Neither party currently seems to have a leader acceptable to all factions.

Nor is it yet clear whether the next leader of Ghana will be a prime minister, as under the suspended 1969 constitution, or an executive president on the American model, as suggested by a Constitutional Drafting Committee which has just reported to the Government. This will depend on the deliberations of a Constituent Assembly, due to start work this week, which is expected to produce some strong demands for a return to the 1969 system.

It is indicative of the high degree of muddle, conflict and ambiguity which has characterised Ghana's entire programme for a return to civilian rule that it was less than two weeks before the Constituent Assembly was due to meet that the Government finally announced how its members were to be selected.

Cynics, of whom Ghana has more than its fair share nowadays, would argue that the military's prime purpose throughout this exercise has been to safeguard those people most closely associated with the Acheampong regime.

There seems little doubt that last July's coup and the reforms which have taken place since were prompted at least in part by enlightened self-interest as well as national interest.

The former Head of State remains in detention, apparently well treated. It remains unclear what his fate will be but the military seems unlikely to want to take any punitive action which might set a precedent.

Disillusioned and cynical

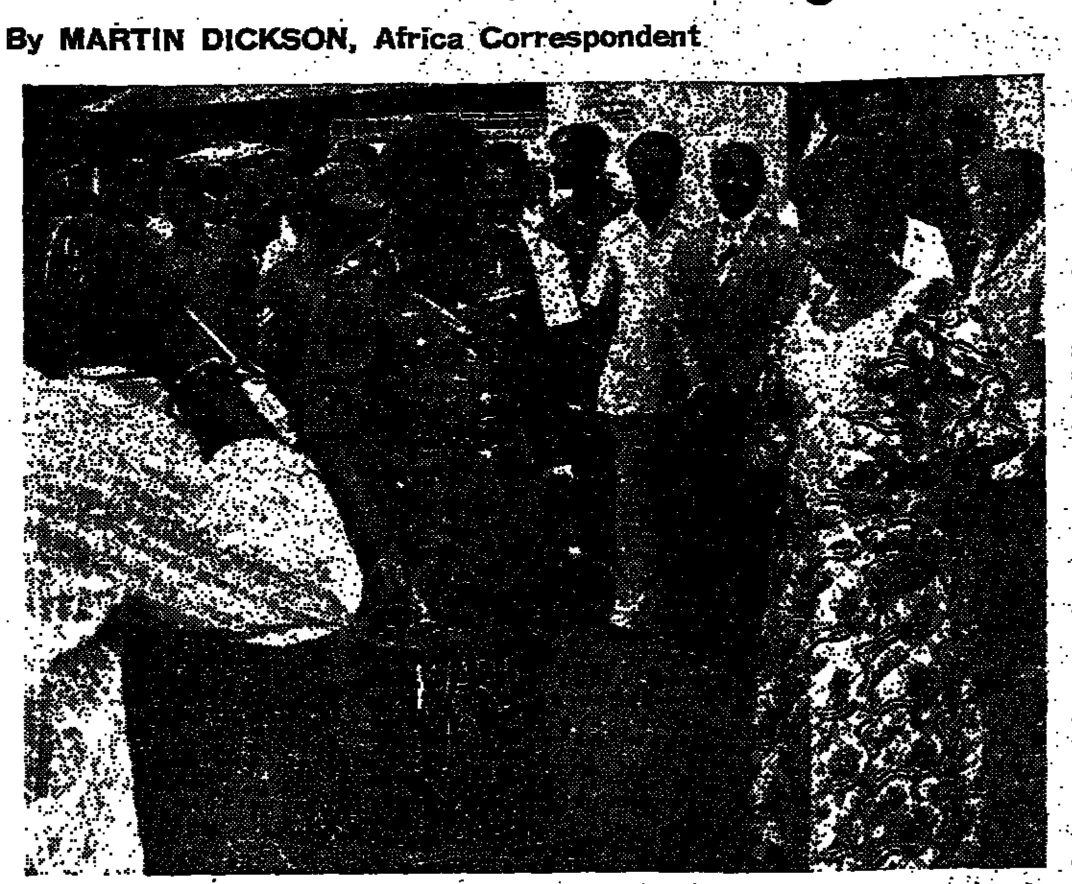
Whatever history's final verdict on the Acheampong years, there can be little doubt that the military is returning to barracks leaving a country which has grown weary, demoralised, disillusioned and cynical.

Ghanaians are tired of the economic chaos of the past few years which has produced persistent shortages of the most basic commodities—beer, cigarettes, soap, toothpaste, toilet paper.

Because of shortage of foreign exchange factories cannot get raw materials and spare parts and are thus operating at less than 30 per cent of capacity. The people are tired of an inflation rate which means that one yam (enough for one meal for six) costs Cedis 5 to 7, while the daily minimum wage is Cedis 4.

Ghanaians are immensely disillusioned with the military yet at the same time they are drifting with no clear political goal. After experimenting with Nkrumahism, two military regimes and the short-lived Busia administration, the country which, when it was granted independence 21 years ago, was regarded as an inspiration to Africa has lost its way.

A daunting task awaits the government which will take office next July and the leader brave enough to head it.



General Akuffo votes in the local elections last month. Restoring democracy at national level will be more difficult.

MEN AND MATTERS

Stopover for a Pan-European

For once the normally-airborne Lord Kennet stayed long enough in one place for me to track him down. He was to be precise dissecting a herring, at home in the elegant Bayswater Road house where James Barrie wrote Peter Pan a century ago.

Peter Pan had the enviable talent of being able to fly, something Kennet clearly wished for himself, as we talked of his appalling timetable as a Euro-MP. His days seem to be spent mostly either on an aeroplane waiting for an aeroplane, or being somewhere he would not be if there was an aeroplane to take him away.

"It's quite simple," he said amiably. "If you're on top you want to stay there." The Council of Ministers was not interested in a "workable" Parliament, and therefore consigned its MPs, staff, and tons of documents to a life of "beating up and down the motorways of Europe."

Apart from the inconvenience and cost of moving endlessly between Brussels, Strasbourg and Luxembourg, the last two were, he said, "hopelessly served" by aeroplanes. If it were based in Brussels, the Parliament would be at least twice as effective, precisely what the Council of Ministers did not want.

Perhaps not only the Council of Ministers, Kennet recalled with nostalgia the halcyon days of the "champagne special" charter service between Strasbourg and Heathrow, grounded by the Civil Aviation Authority.

"There was a long battle about whether we were VIPs or not. The CAA said we weren't so we weren't allowed the charter." Then followed a brief Indian summer when the leader of the Labour delegation, John Prescott, was allowed to be a VIP and could confer VIP-dom on the remaining 70 British and Irish MPs and officials who used the service. That too ended. And now it is up to John Smith, the new Trade Secretary, to tackle the politically thorny question of whether Euro-persons do or do not belong in the VIP lounge. An appeal has also gone directly to the Prime Minister.

And was it all worth it?

"At the end of each week I come back and ask what I have done for the good of mankind," said Kennet as he rushed off to secure an East End nomination for next year's Euro-elections. "I become very doubtful."

"If you invent dynamite things are going to blow up occasionally."

Eating out

Coping with unemployment is not an exclusively British headache. Australia too has seen its jobless figures rise from one per cent to over seven in a few years, a total of nearly 500,000 people. Despite the severity of the problem, the country was somewhat taken aback last week by the suggestions of Vern Routley, head of economic studies with the Department of Employment.

His job is keeping a governmental eye on the jobs situation, which task has led him to a robust belief that unemployment is going to be a way of life for many and that they—school leavers and older people—should be "trained to a subsistence life-style."

He did not specify whether this means eating kangaroos or selling beads. But whichever it is, it is going on in New South Wales, he says, where a steady inflow of young dropouts mingle with people near retirement age who have no intention of working again.

Some, opined Routley, in a fascinating synthesis of right and left wing thought, tended to be critical because of a "Puritan work ethic." Actually the trend towards going bush could be seen as "quite desirable."

Pretty lies

It is as if we wanted to be reassured that things are not what they seem: like fake jewellery, forgery is the latest fashion. And last week was a particularly good one for forgers, with dealers bidding avidly for their work in the smarter London salerooms. Most in demand was the mysterious Spanish Forger, two of whose completely bogus medieval miniatures sold for £320 each at Sotheby's. Carefully painted on a 15th-century choirbook with the gold deliberately cracked, they were produced around 1900, but convinced at least their owner that they were worth selling. When she was told the bad news that they were no more medieval than she was, she left them uncollected at the saleroom.

Since then the Forger has become so well regarded that the Pierpont Morgan Library earlier this year mounted an exhibition entirely devoted to him. And the miniatures were eventually rescued from Sotheby's dead letter department, their owner contacted, and the world invited to name a price.

The Spanish Forger is as much admired for his commercial as for his artistic talents. Over 150 of his works, both miniatures and larger panels, have recently come to light, and although every effort has been made to discover his identity, all that is known is that he passed off his productions through the French antiques market.

Even the British Museum has since discovered it has been taken in by his painstaking attention to detail. He was always careful to use original vellum, and select subjects such as damsels in distress and Walt Disney-like castles which appealed to the growing popular taste for the medieval.

Over at Bonhams that scourge of Vermeer specialists Hans van Meegeren had a timely revenge. He suffered in his time for forging the Dutch Old Masters, but on Thursday an original signed portrait of his spouse was deemed good enough in its own right to fetch £420. I doubt whether the bewildered art world looks forward as much as I do to a first spate of newly-respectable fake fakers.

Disturbing thought

From a Birmingham staff magazine: "Trading figures show a disappointingly small increase, and I hope all members will see in them an incentive to strive harder. Two years ago we had no rival. Today we are confronted by one who is literally breathing down our necks."

Observer

هكذا من الأصل

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

At 30th NOVEMBER, 1978

The Association of International Bond Dealers (AIBD) compiles current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month: there is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres.

Membership of the AIBD (which was established in 1969) comprises over 450 institutions from about 27 countries.

A key to the table is published opposite.

Eurobonds in November

BY FRANCIS GHILES

Fortunes were very mixed in the Eurobond markets last month: the dollar sector was looking for a new level, trying to assess the effects the Carter package might have on the dollar and interest rates while DeutscheMark sector suffered a renewed bout of indigestion, this time on the Japanese convertible front. Rising domestic interest rates in Germany made the indicated yield on some new issues unattractive and led, early in December, to the cancellation of two issues, the borrowers not willing to accept that a higher coupon was a prerequisite to good placement.

The dollar sector spent much of its time last month running ahead of itself: this is not the first time this phenomenon has been in evidence. Prices moved up, often over a period of days, but then a technical reaction occurred as it became clear the market was overbought.

This does not mean to say there was no buying: during the third week in November, institutional investors were heavily in the market, in sharp contrast to their behaviour immediately in the wake of the Carter package. It was a case however of too much money chasing too few bonds in a situation where dealers' inventories had been cut to the bone because of the ever spiralling cost of money. Although the rather better demand than expected for the Norsk Hydro bond, the first straight dollar issue to be floated in more than two months suggested that some institutions were starting to invest long again, most evidence suggests institutional investors are largely sitting on the fence.

Some market participants feel that bonds are being bid up to grossly over-valued levels, essentially a reflection of hectic short term covering activity. These same participants are *just keeping their fingers crossed in the hope* that the better than expected performance of the Norsk Hydro bond, which was quoted in early trading at 97¾-98¼ would encourage other houses to test the water. *This would have the* benefit of mopping up some of the excess liquidity and at the same time help the market find a new yield level.

When the calendar in the DeutscheMark sector for the six weeks up to the Christmas was announced at the beginning of the second week of November, many bankers were incredulous: DM 1.6bn is a large figure, even for the German market and there had been some symptoms of indigestion in October.

The calendar was opened by a DM 400m offering for the World Bank which had been delayed for two weeks because of adverse market conditions and the uncertainty resulting from the possible issue of up to $10bn worth of U.S. Government foreign currency bonds. Even though prices moved up on certain days, the impression of softness was unmistakable: at the end of the month, the DM 150m convertible for Sharp ran into rough weather. Demand was very weak, as had been the case with the Nippon Yusen issue which really proved to be a dud in the secondary market. It was being traded, in early after market business at 94-95. Clearly some of the speculative charm of these Japanese convertibles has been removed in recent weeks: the Japanese stock market has been going much less fast in the past two months and more recently the Yen has weakened against the DeutscheMark.

All this suggests that the standard 3½ per cent yield may have to be firmed up in the very *near future. The list of Japanese convertibles* in the first three months of next year to be floated in this market is quite formidable and includes a DM 200m issue, the biggest convertible ever in this sector for the public utility, Kanzai Electric Power.

Matters did not improve at the beginning of this month: Westdeutsche Landesbank was forced to increase the coupon on Occidental issue it was about to price by ¼ of a point to 6¾ per cent after Deutsche Bank announced two new bonds, one for the Republic of Brazil, the other for Oesterreichische Kontrollbank, with coupons higher than had been anticipated. Clearly Deutsche Bank felt that with the rise in domestic interest rates, German investors had to be offered more attractive yields if they were to continue buying foreign DM bonds; demand for the Republic of Brazil issue is reported to be very good while the Oesterreichische Kontrollbank was priced above par.

Last week, two issues were cancelled: the borrowers were apparently unwilling to accept a higher coupon than the one which the banks *had suggested to them a few weeks before.* These rather unhappy few weeks suggest that some recent issues have not been placed in firm hands. Were the dollar sector to reopen *seriously in the new year, the effects on the* Deutsche Mark sector could be hard felt, especially if heavy calendars of new issues continue to be the order of the day.

The first SDR issue in three years was floated last month, just as the dollar denominated sector was reaching its madir: the issue was small, SDR 25m ($32.5m) but received better than expected. Demand seems to have come from central banks more than private investors.

The French Franc sector witnessed has had a smooth run: a bond for Elf Aquitaine was launched, to be followed by another private French name. Whether it is announced before Christmas or not is as yet unclear.

CONTENTS

The table of quotations and yields gives the latest rates available on 30th November, 1978. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking *its accuracy are not available* and the Association does not guarantee that the Information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members *will trade in all the listed* Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

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ISSUED/ AMT. O/S (MN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT S/F AMOUNT (MN)/ FIRST S/F DATE
		US DOLLARS-ALGERIA							
25.00	1977 / 100.00	BQUE EXT D'ALGERIE 9.00 15/ 9/1982	95 3/8	3.71	10.54	9.44	/ 102.00	30 / 1978	1.00 / DP1978
		US DOLLARS-AUSTRALIA							
25.00	1977 / 100.50	ALCAN AUSTRALIA 8.50 15/ 4/1989	91 3/4	10.37	9.79	9.36	10.49 / 101.50	45 / 1985	.75 / DP1979
25.00 / 25.00	1974 / 100.00	AUSTRALIAN IND DEVT CORP 10.25 1/12/1981	99 3/8	3.00 / 1.0	10.50 / 10.81	10.31	/ 100.50	30 / 1978	6.25 / 1978
40.00 / 40.00	1977 / 100.00	AUSTRALIAN MIN & SMELT'G 9.25 15/ 6/1992	97 1/4	13.54 / 10.03	9.61 / 9.68	9.51	10.19 / 101.00	30 / 1983	1.80 / DP1980
10.00	1977 / 100.50	AUSTRALIAN RESOURCES 8.25 1/12/1982	93 3/8	4.00	10.35	8.84	10.96 / 100.00	30 / 1981	
30.00	1975 / 99.50	AUSTRALIAN RESOURCES 9.25 1/ 8/1980	98 5/8	1.67	10.12	9.38	/ 100.00	30 / 1979	
30.00 / 26.40	1975 / 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	99 1/8	4.25 / 3.79	9.74 / 9.78	9.58	/ 100.50	30 / 1979	1.20 / DP1976
42.00	1976 / 99.50	AUSTRALIAN SHIP COMM P 8.25 1/ 9/1983	95 3/8	4.75	9.48	8.65	/ 101.50	90C / 1980	
30.00	1977 / 99.50	BROKEN HILL PROPS 8.00 1/ 4/1985	91 7/8	6.33	9.76	8.71	/ 101.50	90C / 1982	
30.00 / 30.00	1977 / 99.00	BROKEN HILL PROPS 8.25 1/ 4/1989	91 7/8	10.33 / 8.83	9.51 / 9.65	8.98	10.00 / 101.50	90C / 1986	7.50 / 1986
30.00	1975 / 100.00	BROKEN HILL PROPS 9.50 1/ 5/1981	99	2.42	9.93	9.60	/ 100.50	30 / 1979	
20.00 / 17.53	1975 / 98.50	BROKEN HILL PROPS 10.00 1/ 5/1990	100 1/8	11.42 / 7.76	9.96 / 9.96	9.99	10.00 / 100.375	30 / 1983	.82 / DP1976
20.00 / 14.00	1970 / 98.50	COMALCO INV EUROPE 9.50 1/11/1985	99	6.92 / 4.35	9.70 / 9.81	9.60	10.20 / 100.25	30 / 1980	1.00 / DP1971
25.00 / 21.00	1975 / 100.00	COMALCO LTD 10.00 1/ 6/1987	98 3/4	8.33 / 5.81	10.21 / 10.29	10.13	10.49 / 100.25	30 / 1982	1.50 / DP1976
30.00 / 7.51	1965 / 97.50	COMMONWEALTH - AUSTRALIA 5.00 1/ 4/1983 S	94 1/8	4.33 / 2.34	6.69 / 7.94	5.38	/ 100.50	30 / 1978	.83 / 1965
25.00 / 2.05	1959 / 97.50	COMMONWEALTH - AUSTRALIA 5.25 15/ 4/1980 S	96 1/2	1.37 / .88	8.12 / 9.70	5.51	/ 100.00	30 / 1978	.67 / 1962
25.00 / 2.73	1960 / 98.00	COMMONWEALTH - AUSTRALIA 5.25 1/10/1980 S	96 1/2	1.86 / 1.09	7.45 / 8.88	5.51	/ 100.00	30 / 1978	.67 / 1962
25.00 / 1.38	1959 / 97.00	COMMONWEALTH - AUSTRALIA 5.50 15/ 9/1979 S	97 3/8	.79 / .54	9.19 / 10.84	5.73	/ 100.00	30 / 1978	.67 / 1961
25.00 / 4.07	1961 / 97.00	COMMONWEALTH - AUSTRALIA 5.50 1/ 7/1981 S	96 1/4	2.58 / 1.36	6.99 / 8.30	5.80	/ 100.00	30 / 1978	.68 / 1963
30.00 / 5.70	1962 / 98.25	COMMONWEALTH - AUSTRALIA 5.50 15/ 1/1982 S	94 7/8	3.13 / 1.93	7.32 / 8.65	5.88	/ 101.00	30 / 1978	.81 / 1964
30.00 / 6.68	1962 / 97.50	COMMONWEALTH - AUSTRALIA 5.50 1/ 7/1982 S	94 1/4	3.58 / 1.84	7.49 / 9.16	5.92	/ 100.75	30 / 1978	.63 / 1965
25.00 / 5.57	1962 / 99.00	COMMONWEALTH - AUSTRALIA 5.50 1/10/1982 S	95 1/8	3.84 / 2.09	7.09 / 8.35	5.87	/ 101.25	30 / 1978	.69 / 1965
25.00 / 9.73	1965 / 98.50	COMMONWEALTH - AUSTRALIA 5.50 1/ 3/1985 S	93 1/8	6.42 / 3.42	6.96 / 7.98	5.99	/ 102.00	30 / 1978	1.39 / 1968
25.00 / 9.73	1965 / 99.75	COMMONWEALTH - AUSTRALIA 5.75 1/11/1985 S	94 3/8	6.92 / 3.93	6.90 / 7.56	6.19	/ 103.00	30 / 1978	1.39 / 1968
25.00 / 10.93	1967 / 97.50	COMMONWEALTH - AUSTRALIA 6.50 15/ 6/1982	97 1/8	3.54 / 2.48	7.43 / 7.71	6.69	/ 101.00	30 / 1978	1.56 / 1970
100.00	1977 / 100.00	COMMONWEALTH - AUSTRALIA 7.50 1/ 9/1984	91 3/4	5.75	9.41	8.17	/ 101.50	90C / 1981	
250.00	1978* / 100.00	COMMONWEALTH - AUSTRALIA 8.00 1/ 4/1982	96 1/4	3.33	9.33	8.31			
125.00	1976 / 99.88	COMMONWEALTH - AUSTRALIA 8.125 15/11/1983 S	95 3/4	4.96	9.42	8.67	9.66 / 100.00	30 / 1982	
75.00	1976 / 100.00	COMMONWEALTH - AUSTRALIA 8.25 1/ 6/1981 S	97 1/8	2.50	9.80	8.67			
120.00	1976 / 100.00	COMMONWEALTH - AUSTRALIA 8.25 1/10/1983	96 5/8	4.84	9.13	8.54			
125.00	1977 / 100.00	COMMONWEALTH - AUSTRALIA 8.25 1/12/1984 S	93 3/4	6.00	9.60	8.80	9.55 / 100.00	30 / 1983	
150.00 / 150.00	1977 / 100.00	COMMONWEALTH - AUSTRALIA 8.25 1/ 9/1992	92	13.75 / 9.70	9.30 / 9.54	8.97	9.64 / 101.50	90C / 1988	7.50 / 1983
50.00	1975 / 100.00	COMMONWEALTH - AUSTRALIA 8.45 15/ 6/1980 S	98	1.54	10.12	8.81			
175.00	1978* / 100.00	COMMONWEALTH - AUSTRALIA 8.45 1/ 6/1983 S	97 1/8	4.50	9.46	8.89			
120.00	1976 / 100.00	COMMONWEALTH - AUSTRALIA 8.50 1/10/1986	95 3/4	7.84	9.28	8.88			
50.00	1975 / 100.00	COMMONWEALTH - AUSTRALIA 8.75 15/ 6/1983 S	96 1/4	4.54	9.44	9.10	9.56 / 100.00	30 / 1982	
50.00	1976 / 99.63	COMMONWEALTH - AUSTRALIA 8.75 1/ 6/1986 S	97 5/8	7.50	9.41	9.16	9.53 / 100.00	30 / 1984	
60.00 / 60.00	1976 / 99.50	COMMONWEALTH - AUSTRALIA 8.75 1/10/1991	97	12.84 / 8.79	9.15 / 9.26	9.02			5.00 / 1982
100.00 / 100.00	1977 / 98.88	COMMONWEALTH - AUSTRALIA 8.875 1/12/1997 S	96 1/2	19.00 / 12.02	9.48 / 9.58	9.41	9.74 / 102.28	30 / 1989	6.65 / 1983
75.00 / 75.00	1976 / 99.50	COMMONWEALTH - AUSTRALIA 9.00 15/11/1996 S	98	17.96 / 10.96	9.44 / 9.51	9.39	9.53 / 101.00	30 / 1991	5.00 / 1982
75.00 / 75.00	1978* / 99.63	COMMONWEALTH - AUSTRALIA 9.125 1/ 6/1993 S	99	14.50 / 10.54	9.47 / 9.49	9.43	9.64 / 102.02	30 / 1988	8.25 / DP1985
75.00 / 75.00	1976 / 98.50	COMMONWEALTH - AUSTRALIA 9.125 1/ 6/1996 S	98 7/8	17.50 / 10.70	9.47 / 9.51	9.44	9.34 / 100.90	30 / 1991	3.75 / 1980
25.00	1975 / 100.00	CSR LIMITED 9.50 15/ 7/1980	98 1/2	1.62	10.47	9.64	/ 100.50	45 / 1979	
25.00 / 22.00	1975 / 99.00	GOVT OF PAPUA NEW GUINEA 9.50 15/ 3/1983	99 1/2	4.29 / 3.01	9.62 / 9.68	9.35	/ 100.25	45C / 1979	2.50 / DP1976
40.00 / 38.20	1976 / 100.00	HAMERSLEY HOLDINGS 8.50 1/ 1/1984	96 1/8	5.09 / 4.38	9.49 / 9.63	8.84	/ 100.50	30 / 1981	1.80 / DP1978
40.00 / 40.00	1976 / 100.00	HAMERSLEY HOLDINGS 9.50 1/ 1/1992	98 1/2	13.09 / 9.59	9.70 / 9.75	9.64	9.93 / 100.75	30 / 1985	1.00 / DP1979
25.00 / 20.50	1972 / 100.00	HAMERSLEY IRON FIN 8.00 15/11/1987	89	8.96 / 5.85	9.91 / 10.62	8.99	/ 100.25	30 / 1980	1.25 / DP1975
20.00 / 14.50	1971 / 99.50	HAMERSLEY IRON FIN 9.00 1/ 5/1986	96 7/8	7.42 / 4.64	9.59 / 9.86	9.29	/ 100.25	30 / 1979	1.00 / DP1972
20.00 / 13.00	1970 / 97.00	HAMERSLEY IRON FIN 9.50 1/ 9/1985	98 1/8	6.75 / 4.18	9.88 / 10.07	9.68	10.81 / 100.25	30 / 1980	1.00 / DP1971
35.00 / 29.40	1975 / 100.00	HAMERSLEY IRON FIN 10.00 1/ 6/1982	99 3/4	3.50 / 3.23	10.05 / 10.08	10.03	/ 100.50	30 / 1979	1.40 / DP1976
22.50 / 20.98	1972 / 99.75	K MART(AUST)PROPERTIES 7.25 15/ 9/1984	92 5/8	5.79 / 5.53	9.45 / 9.52	8.37			.32 / DP1973

ISSUED/ AMT. O/S (MN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT S/F AMOUNT (MN)/ FIRST S/F DATE
		US DOLLARS-AUSTRALIA (CONTINUED)							
36.00 / 35.19	1976 / 99.50	K MART(AUST)FIN 9.00 1/10/1986	97 7/8	7.84 / 7.15	9.38 / 9.41	9.20			.46 / DP1977
25.00 / 19.80	1971 / 100.00	MOUNT ISA FIN 8.75 15/11/1986	92 1/8	7.96 / 5.22	10.24 / 10.81	9.50	/ 101.00	30 / 1979	1.30 / DP1974
10.00	1976 / 100.00	THE INTL FIN WW 9.00 1/ 7/1983	97 1/4	4.58	9.74	9.25	/ 101.50	60C / 1980	
10.00	1976 / 100.00	THE INTL FIN XW 9.00 1/ 7/1983	96 1/4	4.58	10.03	9.35	/ 101.50	60 / 1980	
20.00 / 20.00	1977 / 100.00	THE OVERSEAS FIN 8.00 15/ 8/1987	90 1/2	8.71 / 6.81	10.71 / 11.08	9.84	/ 101.50	60 / 1982	1.00 / 1981
50.00 / 50.00	1977 / 100.00	WESTERN MINING CORP 9.00 15/10/1992	95 7/8	13.87 / 10.55	9.54 / 9.64	9.38	10.01 / 101.50	45 / 1985	3.13 / DP1980
15.00 / 12.75	1975 / 99.00	WESTERN MINING CORP 9.75 1/ 5/1982	99	3.42 / 3.06	10.07 / 10.13	9.85	/ 100.50	30 / 1979	.75 / DP1976
		US DOLLARS-AUSTRIA							
12.00 / 6.85	1965 / 97.00	ALPINE MONTAN STEEL 5.75 15/ 6/1985	93 3/8	6.56 / 3.76	6.99 / 7.76	6.14	/ 100.00	180C / 1979	.82 / 1971
15.00 / 7.20	1966 / 96.30	AUSTRIAN ELECTRICITY 6.625 1/ 7/1986 S	96 3/8	7.58 / 4.08	7.38 / 7.82	6.99	/ 101.00	90C / 1979	.90 / 1969
18.00 / 5.53	1967 / 96.50	AUSTRIAN ELECTRICITY 6.75 1/10/1982 S	97 5/8	3.84 / 2.33	7.61 / 8.03	7.03	/ 101.25	30 / 1978	1.39 / 1970
50.00	1977 / 100.25	OSTERREICHE KONTROLLBANK 7.00 1/10/1980	95 1/4	1.84	9.93	7.35			
50.00	1977 / 100.50	OSTERREICHE KONTROLLBANK 7.50 1/10/1982	93 7/8	3.84	9.46	7.99			
50.00	1976 / 100.00	OSTERREICHE KONTROLLBANK 8.00 1/10/1981 S	96 5/8	2.84	9.59	8.45			
18.00 / 7.20	1964 / 99.00	REPUBLIC OF AUSTRIA 6.00 31/ 1/1984 S	97 7/8	5.17 / 2.67	6.59 / 7.00	6.22	/ 100.00	90C / 1979	1.20 / 1970
22.50 / 7.70	1967 / 98.50	REPUBLIC OF AUSTRIA 6.75 15/ 3/1982 S	97 3/4	3.29 / 1.85	7.67 / 8.24	7.02	/ 101.50	90C / 1979	1.85 / 1971
50.00	1977 / 100.00	REPUBLIC OF AUSTRIA 7.80 15/ 7/1984 S	93 3/8	5.62	9.55	8.33	9.83 / 100.00	30 / 1983	
50.00 / 50.00	1977 / 100.00	REPUBLIC OF AUSTRIA 8.625 15/ 7/1992 S	95 5/8	13.62 / 9.12	9.40 / 9.56	9.22	9.76 / 101.99	30 / 1987	5.00 / DP1983
50.00 / 44.00	1976 / 100.00	REPUBLIC OF AUSTRIA 8.75 15/ 8/1990	95 3/8	11.71 / 9.28	9.41 / 9.52	9.17	10.28 / 101.50	30C / 1983	3.00 / DP1977
50.00	1975 / 100.00	REPUBLIC OF AUSTRIA 9.00 15/ 7/1982 S	99 1/8	3.62	9.50	9.29			
30.00 / 30.00	1977 / 100.50	TAUERNAUTOBAHN 8.25 15/ 3/1987	93 3/4	8.29 / 6.79	9.35 / 9.54	8.80	/ 101.00	60 / 1981	3.00 / DP1982
		US DOLLARS-BELGIUM							
75.00 / 75.00	1973 / 100.00	MAFINA B.V. WW 4.50 1/ 7/1988	75 1/8	9.58 / 7.09	8.38 / 9.47	5.99	/ 102.00	50 / 1984	15.00 / 1984
75.00 / 75.00	1973 / 100.00	MAFINA B.V. XW 4.50 1/ 7/1988	71 5/8	9.58 / 7.09	9.05 / 10.34	6.28	/ 102.00	50 / 1984	15.00 / 1984
40.00	1977 / 99.50	MAFINA B.V. P 7.875 15/ 9/1984	92 3/8	5.79	9.66	8.53	/ 101.00	/ 1982	
40.00 / 40.00	1977 / 99.00	MAFINA B.V. 8.00 1/ 9/1987	92	8.75 / 6.75	9.37 / 9.65	8.70	/ 101.50	/ 1981	8.00 / 1983
50.00	1976 / 100.50	SOC NAT DE CREDIT IND P 8.25 15/10/1981	96 1/2	2.87	9.69	8.55			
		US DOLLARS-BOLIVIA							
15.00	1977 / 100.00	REPUBLIC OF BOLIVIA 10.25 15/ 4/1986 S	97 1/8	7.33	11.11	10.83	11.61 / 100.00	60 / 1982	1.50 / PF1978
		US DOLLARS-BRAZIL							
50.00	1977 / 99.00	BANCO NAC DO DESEN ECON 9.25 1/ 7/1984	93 3/4	5.58	10.77	9.87	/ 101.50	90C / 1981	
50.00	1977 / 100.00	LIGHT-SERVICOS DE ELET 9.00 1/10/1982	94	3.84	10.98	9.57			
35.00 / 25.14	1972 / 99.50	REPUBLIC OF BRAZIL 8.25 1/12/1987 S	90 5/8	9.00 / 4.52	10.09 / 11.23	9.31	11.99 / 102.00	30 / 1982	1.22 / 1973
85.00	1977 / 100.00	REPUBLIC OF BRAZIL 9.00 1/ 8/1982 S	95 1/2	3.67	10.78	9.65			
75.00	1976 / 99.00	REPUBLIC OF BRAZIL 9.25 1/ 1/1984	96	5.09	10.29	9.64	/ 101.50	90C / 1981	
50.00	1976 / 100.00	REPUBLIC OF BRAZIL 10.00 15/ 5/1986 S	99	7.45	10.45	10.36			2.50 / PF1977
		US DOLLARS-CANADA							
50.00 / 48.33	1976 / 100.50	ALUMINIUM CO OF CANADA 9.50 15/ 4/1988	100 7/8	9.37 / 6.86	9.34 / 9.31	9.42	9.55 / 101.50	30 / 1982	1.67 / DP1978
20.00 / 19.00	1976 / 100.00	AMCO FIN SERV-CANADA 9.25 15/ 9/1983	98 1/8	4.79 / 3.58	9.74 / 9.89	9.43	10.02 / 100.00	30 / 1981	.89 / DP1978
100.00	1977 / 100.00	BELL-CANADA 7.75 1/ 5/1987	90 1/2	8.42	9.42	8.56	/ 100.50	30 / 1983	
60.00	1976 / 100.75	BELL-CANADA 8.75 15/ 7/1986	96	7.62	9.49	9.11	10.21 / 100.50	30 / 1982	
20.00 / 16.50	1972 / 100.00	BRASCAN INC 8.25 1/10/1987	92 1/4	8.84 / 5.52	9.59 / 10.15	8.94	/ 102.00	90 / 1980	1.00 / 1975
30.00	1976 / 100.00	BRASCAN INC 9.75 1/ 5/1982	97 3/8	3.42	10.66	10.01			1.00 / PF1977
75.00	1977 / 100.00	BRITISH COLUMBIA HYDRO 7.75 15/ 5/1985	92 3/8	6.45	9.36	8.39	/ 101.00	30 / 1982	
20.00	1976 / 98.50	BUDD AUTO CO OF CANADA 9.50 15/ 4/1983	98 5/8	4.37	9.87	9.63	10.32 / 100.30	30 / 1981	1.00 / PF1977
250.00	1978* / 100.20	CANADA 8.00 1/ 4/1983 S	95 7/8	4.33	9.38	8.52			
250.00	1978* / 100.00	CANADA 8.20 1/10/1985 S	94 7/8	6.84	9.44	8.83	9.57 / 100.00	30 / 1984	
250.00	1978* / 99.75	CANADA 8.625 1/ 4/1998 S	94 5/8	19.33	9.44	9.32	9.99 / 103.50	30 / 1988	
400.00	1978* / 100.00	CANADA 9.00 15/10/1983 S	99 3/8	4.87	9.37	9.26			
350.00	1978* / 100.00	CANADA 9.25 15/10/1998 S	99 3/4	19.87	9.49	9.49	9.75 / 103.81	30 / 1988	
70.00	1978* / 99.00	CANADAIR 8.50 15/ 6/1983	95 7/8	4.54	9.64	8.87			
85.00	1976 / 100.00	CANADIAN NAT RAIL CO 8.375 15/11/1986	94 1/4	7.96	9.43	8.89	/ 101.00	30 / 1982	
40.00 / 37.30	1977 / 100.50	CANADIAN PACIFIC-BERMUDA 8.25 1/ 7/1984	94 3/8	5.58 / 4.50	9.57 / 9.83	8.74	10.17 / 100.00	60 / 1982	2.70 / DP1978
15.00 / 7.00	1970 / 100.00	CITY OF MONTREAL 9.00 1/ 2/1985	95 5/8	6.17 / 3.17	9.97 / 10.67	9.41	/ 102.00	30 / 1980	1.00 / 1971

ISSUED/ AMT. O/S (MN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT S/F AMOUNT (MN)/ FIRST S/F DATE
		US DOLLARS-CANADA (CONTINUED)							
50.00	1976 / 100.00	CITY OF MONTREAL 9.25 15/ 2/1983	96 1/2	4.21	10.29	9.59			2.50 / PF1978
50.00	1975 / 100.00	CITY OF MONTREAL 9.75 1/12/1981	99 3/8	3.00	10.00	9.81			2.50 / PF1976
75.00	1975 / 100.00	CITY OF MONTREAL 9.85 15/ 7/1980 S	99	1.62	10.80	10.20			
10.00 / 6.80	1970 / 99.25	CITY OF QUEBEC 9.00 1/ 4/1982 S	97 1/2	3.33 / 2.98	10.13 / 10.24	9.44	/ 101.00	30C / 1979	.40 / 1972
5.00	1976 / 100.00	CITY OF VANCOUVER 8.25 30/ 9/1981	95 1/4	2.83	10.34	8.66			
10.00	1976 / 100.00	CITY OF VANCOUVER 8.75 30/ 9/1988	95	9.83	9.55	9.21	/ 101.50	45 / 1981	.30 / PF1977
40.00	1977 / 100.50	CITY OF WINNIPEG 8.25 15/ 5/1987	92 1/2	8.45	9.37	8.92			
35.00 / 34.00	1977 / 99.50	CONSOLIDATED - BATHURST 9.00 1/10/1992	92 1/4	13.84 / 10.04	10.05 / 10.26	9.76	/ 105.00	30 / 1978	2.00 / 1978
25.00	1978* / 99.00	DOMINION BRIDGE CO 9.00 15/ 6/1986	94 3/8	7.54	10.08	9.54	10.39 / 100.00	30 / 1983	
125.00	1978* / 100.00	EXPORT DEVELOPMENT CORP 8.60 15/ 8/1983 S	97 1/2	4.71	9.48	9.02			
25.00	1975 / 100.00	GENSTAR 10.00 15/11/1981	100 5/8	2.96	9.74	9.94			1.00 / PF1976
20.00 / 20.00	1977 / 100.00	GREAT LAKES PAPER CO 8.75 1/ 3/1984	93 3/8	5.25 / 4.55	10.43 / 10.45	9.37	11.26 / 100.00	30 / 1982	1.00 / DP1980
23.00 / 23.00	1976 / 100.50	HOME OIL CO 9.50 1/ 7/1986	98 1/8	7.56 / 5.97	9.84 / 9.87	9.68	/ 106.00	45 / 1979	.50 / DP1977
50.00	1977* / 100.00	INCO 8.25 15/12/1984	94 1/4	6.04	9.54	8.75	/ 100.50	30 / 1981	
100.00	1977* / 100.00	INCO 9.00 15/12/1992	95 3/4	14.04	9.56	9.40	10.16 / 101.50	30 / 1984	2.00 / PF1978
45.00	1976 / 100.00	IAC CANADIAN FINANCE 9.00 1/ 5/1982	99 3/8	3.42	9.19	9.06	9.25 / 100.00	30 / 1981	
35.00	1976 / 100.00	IAC CANADIAN FINANCE 9.50 1/ 5/1986	98 5/8	7.42	9.75	9.63	10.50 / 101.00	30 / 1981	1.00 / PF1977
50.00 / 48.75	1977 / 100.00	MACMILLAN BLOEDEL 9.00 1/ 2/1992	97 3/4	13.17 / 10.45	9.30 / 9.34	9.21	/ 101.50	/ 1986	1.45 / DP1978
50.00 / 50.00	1978* / 99.25	MACMILLAN BLOEDEL 9.25 15/ 3/1993	97 7/8	14.29 / 10.82	9.52 / 9.57	9.45	/ 101.50	/ 1985	1.65 / DP1979
20.00 / 9.50	1970 / 100.00	MASSEY-FERGUSON NED N.V. 9.00 15/ 1/1982	91 1/2	3.13 / 2.18	12.42 / 13.76	9.84	/ 100.00	30 / 1979	1.50 / DP1972
75.00	1976 / 100.00	MASSEY-FERGUSON NED N.V. 9.50 1/ 6/1991	90 3/4	12.50	10.87	10.47	11.37 / 100.00	45 / 1986	4.50 / PF1978
40.00 / 34.00	1975 / 100.50	MASSEY-FERGUSON NED N.V. 9.75 1/ 7/1982	93 1/2	3.58 / 3.33	12.04 / 12.22	10.43	/ 100.00	30 / 1980	1.50 / DP1976
50.00	1976 / 99.50	MONTREAL URBAN COMM. 8.75 1/ 6/1981	96	2.50	10.60	9.11			
40.00 / 36.00	1976 / 100.00	NEW BRUNSWICK E.P.COMM 9.00 15/ 1/1983	97 3/8	4.13 / 3.57	9.79 / 9.92	9.24	/ 101.00	/ 1980	2.00 / DP1977
25.00	1976 / 100.00	NEWFOUNDLAND & LAB HYDRO 9.75 15/ 3/1986	98 1/2	7.29	10.03	9.90	10.68 / 101.00	60 / 1981	.75 / PF1977
35.00	1976 / 100.50	NEWFOUNDLAND MUN FIN 9.25 15/ 9/1986	97 1/2	9.79	9.64	9.49	10.28 / 101.00	60 / 1982	1.40 / PF1977
35.00	1975 / 99.50	NORANDA MINES 9.75 1/11/1980	97 7/8	1.92	11.02	9.96			
75.00 / 75.00	1978* / 99.00	NOVA SCOTIA POWER 9.625 1/ 6/2008 S	96 3/8	29.50 / 22.98	10.03 / 10.04	10.02	10.21 / 103.85	30 / 1993	1.13 / 1979
125.00	1977 / 100.50	ONTARIO HYDRO 8.00 15/ 4/1987	92 1/4	8.37	9.36	8.67			
75.00	1976 / 99.50	ONTARIO HYDRO 8.25 27/ 5/1985	96 1/4	4.49	9.28	8.57			
25.00 / 20.00	1971 / 100.00	ONTARIO HYDRO-ELECTRIC 8.25 15/ 1/1986	95 1/4	7.13 / 3.83	9.18 / 9.88	8.66	/ 101.00	90C / 1980	5.50 / 1977
125.00	1978* / 99.50	ONTARIO HYDRO 8.50 1/ 6/1985	95 3/4	6.50	9.38	8.88			
100.00	1976 / 99.50	ONTARIO HYDRO 8.50 10/ 9/1986	93 3/8	7.78	9.35	8.91			
75.00	1975 / 99.50	ONTARIO HYDRO 9.00 15/ 9/1980	98 7/8	1.79	9.67	9.10			
75.00	1976 / 99.50	ONTARIO HYDRO 9.00 2/ 1/1985	98 5/8	6.05	9.41	9.13			
25.00 / 25.00	1975 / 98.50	OTTAWA-CARLETON 9.50 15/ 3/1990	99 3/4	11.29 / 6.86	9.52 / 9.54	9.52	10.40 / 102.00	90 / 1981	2.19 / 1981
50.00	1974 / 100.00	POLYSAR 9.50 15/12/1986	97 5/8	8.04	9.94	9.73	/ 102.00	30 / 1981	
30.00	1975 / 100.00	POLYSAR LTD 10.00 15/ 1/1982	100	3.13	9.98	10.00			1.00 / PF1978
50.00	1978 / 100.00	PROVINCE OF MANITOBA 8.75 15/ 4/1983	97 3/8	4.37	9.48	8.99			
15.00 / 15.00	1975 / 99.50	PROVINCE OF MANITOBA 9.25 30/ 4/1985	97 7/8	6.41 / 4.41	9.69 / 9.84	9.45	/ 102.00	90 / 1980	3.00 / 1981
50.00	1977 / 99.50	PROVINCE - NEW BRUNSWICK 8.00 15/ 7/1984	93 3/4	5.62	9.46	8.53	/ 101.00	45C / 1981	
10.00 / 4.00	1969 / 98.00	PROVINCE - NEW BRUNSWICK 8.75 15/12/1979	98 1/2	1.04 / .54	10.32 / 11.97	8.88	/ 100.00	30 / 1978	2.00 / 1970
35.00	1976 / 100.75	PROVINCE - NEW BRUNSWICK 8.75 1/ 8/1983	96 5/8	4.67	9.66	9.06	/ 101.00	65C / 1980	
20.00 / 14.80	1971 / 99.50	PROVINCE OF NEWFOUNDLAND 8.50 2/ 3/1986	94 1/8	7.25 / 3.95	9.65 / 10.38	9.03	/ 102.50	90 / 1981	1.60 / 1972
50.00	1977 / 100.50	PROVINCE OF NEWFOUNDLAND 9.00 15/ 2/1989	96 5/8	10.21	9.52	9.31	10.21 / 101.00	45 / 1983	1.88 / PF1978
50.00	1976* / 100.50	PROVINCE OF NEWFOUNDLAND 9.25 1/ 6/1990	98 1/4	11.50	9.49	9.41	9.80 / 101.00	60 / 1984	3.13 / PF1979
15.00 / 9.00	1970 / 100.00	PROVINCE OF NOVA SCOTIA 9.00 15/ 5/1985	96 1/4	6.45 / 3.79	9.79 / 10.23	9.35	/ 102.50	90 / 1980	1.00 / 1971
125.00	1975 / 100.00	PROVINCE OF ONTARIO 8.20 15/ 6/1982 S	96 3/4	3.54	9.31	8.66	9.90 / 100.00	30 / 1981	
150.00	1975 / 99.50	PROVINCE OF ONTARIO 9.125 15/ 6/2005 S	96 7/8	26.54	9.67	9.64	9.99 / 103.45	30 / 1990	
200.00	1978* / 100.00	PROVINCE OF ONTARIO 9.375 1/ 6/2008 S	99 1/8	29.50	9.69	9.68	9.84 / 103.75	30 / 1993	
30.00 / 27.00	1973 / 99.00	PROVINCE OF QUEBEC 7.50 15/ 1/1988	88 1/8	9.13 / 6.64	9.50 / 10.03	8.51	/ 101.50	30 / 1981	1.00 / 1976
50.00	1976 / 100.00	PROVINCE OF QUEBEC 8.50 1/ 4/1982	96 5/8	2.33	10.15	8.80			
75.00	1976 / 100.00	PROVINCE OF QUEBEC 9.00 15/ 1/1983	97 1/8	4.13	9.87	9.27			

ISSUED/ AMT. O/S (MN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT S/F AMOUNT (MN)/ FIRST S/F DATE
		US DOLLARS-CANADA (CONTINUED)							
50.00	1976 / 100.00	PROVINCE OF QUEBEC 9.00 1/ 4/1984	95 5/8	5.33	10.08	9.41	/ 100.75	30 / 1981	
15.00 / 7.80	1970 / 100.00	PROVINCE OF QUEBEC 9.00 1/ 3/1985	97	6.29 / 3.83	9.64 / 9.98	9.28	/ 102.00	30 / 1980	.90 / 1971
60.00 / 57.60	1977 / 99.00	PROVINCE OF QUEBEC 9.00 1/11/1995	93	16.87 / 9.39	9.86 / 10.20	9.68	10.31 / 101.00	30 / 1987	2.40 / 1978
25.00	1976 / 101.00	PROVINCE - SASKATCHEWAN 8.75 1/ 9/1986	95 7/8	7.75	9.31	9.13	10.45 / 101.50	45 / 1982	
20.00	1969 / 98.00	QUEBEC HYDRO-ELECTRIC 8.00 15/10/1979	97 7/8	.87	10.61	8.17			
20.00 / 14.40	1971 / 97.00	QUEBEC HYDRO-ELECTRIC 8.25 15/ 3/1986	92 1/8	7.29 / 4.71	9.80 / 10.44	8.96	/ 101.00	30 / 1981	.80 / 1972
25.00 / 21.00	1971 / 100.00	QUEBEC HYDRO-ELECTRIC 15W 8.50 15/11/1986	92 5/8	7.96 / 5.48	9.88 / 10.34	9.18	/ 101.00	30 / 1981	1.00 / 1975
125.00	1976 / 100.00	QUEBEC HYDRO-ELECTRIC IN 8.50 1/11/1986	93 1/4	7.92	9.76	9.12	/ 101.00	30 / 1982	
30.00 / 28.00	1974 / 98.50	QUEBEC HYDRO-ELECTRIC 8.50 1/ 2/1989	92 1/8	10.17 / 7.67	9.75 / 10.02	9.23	/ 101.50	30 / 1982	1.00 / 1977
200.00	1976 / 100.00	QUEBEC HYDRO-ELECTRIC 8.60 15/ 9/2006 S	88 3/8	27.79	10.07	9.97	10.64 / 103.00	30 / 1991	
125.00	1977 / 100.00	QUEBEC HYDRO 9.00 1/ 8/1992	94 3/4	13.67	9.70	9.50	9.99 / 101.00	30 / 1987	4.00 / PF1978
15.00 / 9.80	1970 / 99.50	QUEBEC HYDRO-ELECTRIC 9.25 1/10/1985	96 5/8	6.84 / 3.93	9.96 / 10.33	9.57	/ 102.00	30 / 1980	1.20 / 1971
30.00	1978* / 99.50	QUEBEC HYDRO 9.50 1/ 7/1993	99 1/8	14.58	9.60	9.58	9.79 / 102.50	30 / 1986	2.50 / PF1979
100.00	1978* / 99.75	QUEBEC HYDRO 10.00 15/ 7/2008 S	100 3/8	29.62	10.21	10.21	10.20 / 100.00	30 / 1993	
15.00 / 15.00	1975 / 98.50	QUEBEC URBAN COMMUNITY 9.50 15/ 9/1982	96 7/8	3.79 / 3.49	10.52 / 10.61	9.81			1.50 / 1980
25.00	1977 / 100.00	REDPATH INDUSTRIES 9.00 15/ 9/1989	87 3/8	10.79	11.00	10.27	/ 101.00	30 / 1982	
60.00	1976 / 100.00	SEAGRAM 9.00 15/ 2/1983	98 5/8	4.21	9.39	9.13	9.90 / 100.50	60 / 1981	
		US DOLLARS-COLOMBIA							
20.00 / 15.00	1973 / 100.00	REPUBLIC OF COLOMBIA 8.25 1/ 2/1988 S	94 1/4	9.17 / 4.90	9.40 / 9.99	8.94	10.64 / 102.00	30 / 1983	.75 / 1976
		US DOLLARS-DENMARK							
15.00 / 11.60	1971 / 98.50	CARLSBERG-TUBORG 8.75 1/ 4/1986	99	7.33 / 4.13	8.93 / 9.04	8.84	9.61 / 101.00	60C / 1981	1.00 / DP1974
15.00 / 7.00	1965 / 99.50	CITY OF COPENHAGEN 6.00 16/11/1985	93 7/8	6.96 / 3.96	7.15 / 7.86	6.39	/ 101.00	90C / 1979	1.00 / 1971
25.00 / 11.25	1967 / 99.00	CITY OF COPENHAGEN 6.50 15/ 4/1987	93 7/8	8.37 / 4.37	7.50 / 8.21	6.92	/ 102.00	90C / 1979	1.25 / 1968
12.00 / 6.50	1969 / 97.75	CITY OF COPENHAGEN 8.00 15/ 9/1984	98 1/4	5.79 / 3.48	8.38 / 8.60	8.14	/ 101.50	30 / 1979	1.00 / 1970
15.00 / 9.50	1970 / 98.00	CITY OF COPENHAGEN 9.00 1/10/1985	98 1/8	6.84 / 4.41	9.32 / 9.47	9.15	10.31 / 102.00	90C / 1981	1.00 / 1972
10.00 / 10.00	1977 / 100.00	CO-OP DENMARK 8.625 15/10/1984	95 1/4	5.87 / 3.87	9.71 / 10.15	9.06			2.00 / 1980
15.00 / 14.00	1972 / 97.50	COPENHAGEN COUNTY AUTH 7.75 15/ 2/1987	92 1/8	8.21 / 5.31	9.13 / 9.70	8.41	/ 101.50	45C / 1981	.50 / 1977
25.00	1977 / 100.00	COPENHAGEN HANDELSBANK 8.00 18/ 1/1982	94 1/2	3.13	10.12	8.47			
12.00 / 4.80	1964 / 99.50	COPENHAGEN TELEPHONE 5.75 12/ 2/1984	97	5.30 / 2.70	6.44 / 7.01	5.93	/ 101.50	90 / 1979	.80 / 1970
15.00 / 6.00	1964 / 100.00	COPENHAGEN TELEPHONE 5.75 1/ 7/1984	95 1/4	5.58 / 3.08	6.79 / 7.53	6.04	/ 101.50	30 / 1978	2.00 / 1970
10.00 / 4.00	1967 / 98.00	COPENHAGEN TELEPHONE 6.75 15/10/1982	97 1/4	3.87 / 2.37	7.39 / 8.08	6.94	/ 100.75	30 / 1978	1.00 / 1973
10.00 / 5.35	1966 / 98.75	COPENHAGEN TELEPHONE 6.75 1/ 4/1986	97 1/4	7.33 / 3.85	7.24 / 7.60	6.96	/ 101.50	30 / 1978	.46 / 1972
15.00 / 10.50	1971 / 100.00	COPENHAGEN TELEPHONE 8.50 1/ 2/1986	97 3/4	7.17 / 3.94	8.93 / 9.20	8.70	/ 101.50	30 / 1980	1.05 / 1973
10.00 / 6.30	1970 / 100.00	COPENHAGEN TELEPHONE 9.00 15/ 4/1985	98 1/2	6.37 / 3.56	9.30 / 9.50	9.14	/ 101.50	30 / 1980	.70 / 1972
25.00	1977 / 100.00	DEN DANSKE PROVINSBANKEN 8.25 15/ 7/1982	94 1/8	3.63	10.24	8.78	/ 100.00	360 / 1980	
15.00 / 7.33	1964 / 99.25	DENMARK - ASS MUNICIPAL 5.75 30/ 6/1984	95 5/8	5.58 / 3.24	6.71 / 7.31	6.01	/ 100.00	40C / 1979	2.00 / 1970
12.00 / 4.80	1964 / 99.00	DENMARK - MORTGAGE BANK 5.625 15/ 3/1984 S	94 3/8	5.29 / 2.79	6.97 / 7.96	6.03	/ 100.00	90C / 1979	.80 / 1970
12.00 / 5.33	1966 / 96.50	DENMARK - MORTGAGE BANK 6.25 25/ 1/1986	93 7/8	7.15 / 3.67	7.38 / 8.25	6.66	/ 101.00	90C / 1980	.66 / 1969
12.00 / 4.00	1967 / 97.00	DENMARK - MORTGAGE BANK 6.75 28/ 2/1982	97 7/8	3.25 / 1.75	7.50 / 8.11	6.90	/ 101.00	90C / 1980	1.00 / 1969
12.00 / 3.00	1968 / 97.75	DENMARK - MORTGAGE BANK 7.25 1/ 3/1980	98 5/8	1.25 / .75	8.40 / 9.25	7.35	/ 100.00	30 / 1978	1.50 / 1969
25.00 / 23.50	1972 / 97.50	DENMARK - MORTGAGE BANK 7.50 1/ 1/1991	87 1/8	12.09 / 7.70	9.32 / 9.98	8.61	/ 101.75	30 / 1981	.30 / DP1976
50.00	1976 / 99.00	DENMARK - MORTGAGE BANK 9.00 1/ 6/1985	97 1/4	4.33	9.78	9.25	10.54 / 100.50	30 / 1981	
25.00	1978* / 99.38	ELSAM - JUTLAND FUNEN E C 9.00 15/ 3/1985	95 1/2	6.29	9.98	9.42	10.93 / 101.00	30 / 1982	
10.00 / 4.61	1964 / 98.75	JUTLAND-FUNEN ELECTRIC 5.75 15/ 9/1984	93 1/2	5.79 / 3.29	7.15 / 8.08	6.15	/ 100.00	40C / 1979	.77 / 1972
10.00 / 4.01	1964 / 98.75	JUTLAND TELEPHONE 5.75 1/ 5/1984 S	93 7/8	5.42 / 2.92	7.26 / 8.31	6.22	/ 100.50	90C / 1979	.67 / 1970
5.00 / 2.00	1966 / 88.00	JUTLAND TELEPHONE 5.75 1/ 5/1984 S	93 1/2	5.42 / 2.92	7.35 / 8.47	6.24	/ 100.50	90C / 1979	.33 / 1970
25.00 / 10.06	1964 / 99.50	KINGDOM OF DENMARK 5.50 1/ 4/1984	95 1/2	5.35 / 1.88	6.51 / 7.29	5.76	/ 101.00	40Y / 1979	2.66 / 1970
20.00 / 9.33	1965 / 99.00	KINGDOM OF DENMARK 6.00 15/ 6/1985	96 3/8	6.54 / 3.54	6.69 / 7.18	6.23	/ 101.25	30 / 1978	1.33 / 1971
25.00 / 8.90	1967 / 99.25	KINGDOM OF DENMARK 6.75 1/ 9/1982	97 3/4	3.75 / 2.20	7.44 / 7.91	6.91	/ 100.75	30 / 1978	2.30 / 1972
30.00 / 25.20	1972 / 99.00	KINGDOM OF DENMARK 7.50 15/ 1/1990	88 3/4	11.13 / 6.64	8.99 / 9.66	8.36	/ 102.00	30 / 1981	1.60 / DP1976

ISSUED/ AMT. O/S (MN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT S/F AMOUNT (MN)/ FIRST S/F DATE
		US DOLLARS-DENMARK (CONTINUED)							
100.00 / 96.00	1976 / 99.00	KINGDOM OF DENMARK 8.50 1/10/1984	96 1/2	5.84 / 5.46	9.29 / 9.35	8.81	9.85 / 101.00	30C / 1982	3.00 / PF1977
20.00 / 10.00	1970 / 100.00	KINGDOM OF DENMARK 9.00 1/ 3/1982	100 1/8	3.25 / 2.05	8.93 / 8.92	8.99	8.70 / 100.00	30C / 1979	2.00 / DP1972
20.00 / 14.00	1970 / 99.25	KINGDOM OF DENMARK 9.25 1/12/1985	99	7.00 / 3.79	9.45 / 9.59	9.34	/ 102.00	30 / 1979	1.50 / DP1972
8.00 / .80	1964 / 99.00	MIDTKRAFT ELECTRICITY 5.75 30/ 6/1979	97 3/4	.58	9.78	5.88			.80 / 1970
30.00	1977 / 100.00	PRIVATBANKEN 8.00 15/ 6/1984	92 1/2	5.37	9.84	8.65	/ 101.50	45 / 1981	
20.00 / 20.00	1978* / 100.00	F L SMIDTH 9.50 1/ 7/1988 S	94 1/2	9.58 / 6.11	10.69 / 11.04	10.31	/ 101.50	30C / 1981	1.33 / 1981
25.00	1977 / 100.00	SPAREKASSEN SDS 8.25 15/ 3/1982	95 1/4	3.29	9.98	8.66			
		US DOLLARS-FINLAND							
15.00 / 9.00	1971 / 99.50	CITY OF HELSINKI 8.75 15/11/1986 S	98 1/2	7.96 / 4.79	9.22 / 9.35	9.08	10.19 / 102.00	30C / 1981	1.00 / 1973
30.00	1977 / 100.00	ENSO-GUTZEIT 8.25 15/ 2/1984	93 1/2	5.21	9.89	8.82	/ 101.50	45 / 1981	
20.00	1975 / 99.00	ENSO-GUTZEIT 9.75 5/ 5/1982	100	3.43	9.71	9.75			1.00 / PF1976
20.00 / 17.50	1972 / 100.50	FINLAND - IND MTGE BANK 8.00 15/12/1987	93	9.02 / 6.30	9.17 / 9.53	8.60	/ 102.00	30C / 1980	.50 / DP1973
25.00 / 25.00	1977 / 100.00	FINLAND - INDUST FUND 8.25 18/ 9/1987	93 1/8	8.80 / 5.65	9.42 / 9.89	8.86	/ 102.00	60C / 1981	3.75 / 1981
25.00 / 24.00	1976 / 100.00	FINLAND - INDUST FUND 9.00 18/ 9/1984	97 3/4	5.80 / 3.30	9.51 / 9.83	9.21	/ 103.00	30 / 1979	4.00 / 1978
12.00 / 1.20	1967 / 99.88	FINLAND MORTGAGE BANK 7.25 15/ 4/1979 S	96 1/2	.37	11.72	7.50			1.20 / 1969
15.00 / 10.50	1971 / 98.00	FINLAND MORTGAGE BANK 8.50 15/ 2/1986 S	96 5/8	7.21 / 4.07	9.35 / 9.74	8.99	/ 102.00	30 / 1978	1.00 / 1973
20.00 / 19.00	1976 / 100.00	FINLAND MORTGAGE BANK 9.25 1/ 4/1983	99 1/8	4.33 / 3.18	9.48 / 9.56	9.33	/ 101.50	30 / 1980	1.50 / 1978
20.00 / 19.00	1975 / 99.00	FINLAND MORTGAGE BANK 9.75 15/10/1981	99 7/8	2.87 / 2.31	9.78 / 9.82	9.76	/ 103.00	45 / 1979	2.00 / DP1978
15.00	1975 / 98.50	FINNISH EXPORT CREDIT 9.25 15/ 3/1980	97 7/8	1.71	10.61	9.45	/ 100.00	30 / 1979	
20.00	1976 / 99.00	FINNISH EXPORT CREDIT 9.25 15/ 2/1981	97 1/2	2.21	10.56	9.49	11.50 / 100.00	30 / 1980	
15.00 / 12.50	1972 / 99.50	FINNISH MUNICIPAL LOAN 8.25 15/ 3/1987	93 1/2	8.29 / 5.19	9.40 / 9.90	8.82	/ 102.00	30 / 1980	.75 / DP1975
15.00 / 13.50	1974 / 98.00	FINNISH MUNICIPAL LOAN 8.75 1/ 2/1989	94 3/8	10.17 / 7.23	9.63 / 9.87	9.27	/ 102.00	30C / 1982	.38 / DP1975
20.00	1972 / 98.00	OUTOKUMPU 7.50 1/ 2/1979	99 1/8	.17	12.64	7.57			
15.00 / 10.50	1971 / 98.50	PEKEMA OY 8.75 1/12/1986	97 3/4	8.00 / 4.56	9.16 / 9.40	8.95	/ 102.50	90 / 1980	1.00 / 1973
10.00 / .87	1964 / 98.25	RAUMA-REPOLA 6.50 7/10/1979 S	97 7/8	.85	9.34	6.73	9.34 / 100.00	40Y / 1979	.87 / 1968
8.00 / .75	1964 / 98.50	RAUTARUUKKI OY 6.25 23/ 6/1979 S	97 5/8	.56	10.97	6.50			.75 / 1969

US DOLLARS-FRANCE (CONTINUED)

US DOLLARS-GERMANY

US DOLLARS-ITALY (CONTINUED)

U.S. DOLLARS—JAPAN (CONTINUED)

25.00 100.00	1976	MITSUI MINING & SMELTING 9.25 15/ 2/1981	100 1/2	2.24	8.96	9.20			
30.00 99.50	1976	MITSUI ENG & SHIP 8.75 1/ 9/1983	96	4.75	9.88	9.11	101.50	45 1980	
25.00 25.00	1977 100.00	MITSUI PETROCHEMICAL IND 8.00 1/ 6/1984	96	5.73 5.59	8.85 9.26	8.33	100.00	30 1981	8.00 1981
20.00 99.00	1975	MITSUI SHIPBUILDING-ENG 9.25 15/ 7/1980	98 1/8	1.62	10.49	9.43	100.50	30C 1979	
20.00 99.25	1977	NBL INTERNATIONAL 7.75 1/ 8/1984	91 7/8	5.67	9.66	8.44	101.00	45C 1981	
15.00 100.00	1976	NICHIMEN CO 9.125 1/ 8/1981	97 1/8	2.67	10.37	9.40			
15.00 7.00	1969 96.00	NIPPON ELECTRIC 7.50 15/ 5/1981 S	95 7/8	2.45 1.74	9.66 10.41	7.82	101.00	30 1978	1.00 1970
30.00	1977 99.00	NIPPON FUDOSAN BANK 7.75 15/ 6/1982	93 1/2	3.54	9.99	8.29	100.50	30 1980	
25.00	1976 100.00	NIPPON FUDOSAN BANK 8.00 15/11/1981	94 1/8	2.96	10.40	8.50	100.50	30 1979	
20.00	1976 100.00	NIPPON FUDOSAN BANK 9.25 1/ 2/1981	98 5/8	2.17	10.09	9.40	101.50	40T 1979	
15.00	1976 97.00	NIPPON FUDOSAN BANK 10.25 15/ 1/1980	100 1/2	1.13	9.71	10.20			7.50 YY1976
15.00	1977 99.50	NIPPON MINING 7.75 1/ 6/1982	93	3.50	10.19	8.33			
15.00	1975 99.25	NIPPON SEIKO 9.25 15/ 8/1980	98 1/8	1.71	10.44	9.43			
22.50 4.14	1965 97.25	NIPPON TEL & TEL 5.75 15/ 4/1980 S	96 3/8	1.37 1.13	8.78 9.41	6.06	100.00	30 1978	.74 1966
100.00	1977 100.00	NIPPON TEL & TEL 7.625 1/ 3/1982 S	95 1/8	3.25	9.61	8.18			
150.00	1977 100.00	NIPPON TEL & TEL 7.75 15/ 6/1984 S	94	5.56	9.36	8.41	9.62 103.00	30 1983	
100.00	1976 99.50	NIPPON TEL & TEL 7.875 1/ 5/1981 S	96 3/4	2.42	9.62	8.31			

Compagnie Nationale Algérienne de Navigation

All these bonds having been sold, this announcement appears as a matter of record only.

November 1978

CNAN

Kuwaiti Dinars 10,000,000

8½% Guaranteed Bonds due 1986-1990

unconditionally and irrevocably guaranteed by

Banque Extérieure d'Algérie

Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)

B.A.I.I. (Middle East) Inc.

American Express Middle East Development Co. S.A.L.

Arab Petroleum Investments Corporation

Banque Intercontinentale Arabe

Banque Nationale de Paris

Banque de Paris et des Pays-Bas (Bahrain Offshore Branch)

Blyth Eastman Dillon & Co. International Limited

Citicorp International Group

Libyan Arab Foreign Bank

National Bank of Abu Dhabi

The National Bank of Kuwait S.A.K.

Orion Bank Limited

J. Henry Schroder & Co. S.A.L.

Alahli Bank of Kuwait (K.S.C.)
Albank Alsaudi Alhollandi
Algemene Bank Nederland N.V. (Bahrain Branch)
Al Saudi Banque
Arab African International Bank—Cairo
Arab Bank Limited (O.B.U.)—Bahrain
Arab Finance Corporation S.A.L.
Arab Investment for Asia (Kuwait) K.S.C.
Arab-Malaysian Development Bank Berhad
Bayerische Vereinsbank International S.A.
Burgan Bank S.A.K.
Byblos Arab Finance Bank (Belgium) S.A.
Euroseas Banking Company (Qatar) Ltd.
Financial Group of Kuwait K.S.C.
The Industrial Bank of Kuwait K.S.C.
Kuwait Financial Centre S.A.K.
Kuwait International Finance Co. S.A.K. "KIFCO"
Manufacturers Hanover Limited
The National Commercial Bank (Saudi Arabia)
Nederlandse Credietbank N.V.
Salomon Brothers International
Union de Banques Arabes et Européennes S.A. (U.B.A.E.)
Wood Gundy Limited

Austrian Quotes
Quotations and Yields of Austrian Eurobonds

ISSUE	COUPON DATES	REPAYMENT	SINKING FUND (STARTING)	PRICE BID	PRICE ASKED	CURRENT YIELD	CURRENT YIELD TO MATURITY
D-MARK BONDS							
6¾% Brenner Autobahn 1968 (G)	1.2-1.8	1.8.74-83	1.8.73	102¼	102¾	6.59%	6.22%
6% Donaukraftwerke 1959 (G)	1.2-1.8	1.2.65-84	—	100¼	100¾	5.97%	5.99%
6¾% Donaukraftwerke 1973 (G)	1.3	1.3.73-87	1.12.77	101	101½	6.67%	6.55%
7% Girozentrale Wien 1976	1.11	1.11.81	—	104	104½	6.71%	5.41%
7¼% Girozentrale Wien 1976	1.11	1.11.83	—	105½	106	6.86%	5.89%
6¾% IAKW 1975 (G)	1.5	1.5.80-85	—	105¾	106¾	6.45%	7.50%
6¾% Kelag 1973 (S)	1.5	1.5.79-88	1.2.78	102	102½	6.60%	6.43%
8¾% Oester. Draukraftwerke 1975 (G)	1.3	1.3.81-85	—	107¾	108¼	8.10%	7.14%
7% Oester. Elektrizateswirt 1967 (G)	1.2-1.8	1.2.73-87	—	104¼	105¼	6.67%	6.36%
7% Rep. Oesterreich 1968	1.4-1.10	1.4.73-82	1.4.72	103½	104¼	6.74%	5.96%
6½% Rep. Oesterreich 1969	1.4-1.10	1.4.75-83	1.1.74	100	100¼	6.48%	6.51%
9% Rep. Oesterreich 1975	1.2	1.2.83	—	106½	107	8.43%	7.10%
8½% Rep. Oesterreich 1973	1.5	1.5.78-87	1.2.77	106¾	107¼	7.94%	7.37%
7¾% Rep. Oesterreich 1976	2.5	2.5.83-86	1.2.82	107¼	108¼	7.18%	6.38%
6¾% Rep. Oesterreich 1977	1.4	1.4.83-85	2.1.82	102¾	103¼	6.55%	6.17%
6½% Tauernkraftwerke 1968 (G)	1.3-1.9	1.9.74-83	1.9.73	101¼	102	6.40%	6.20%
7% Tauernkraftwerke 1968 (G)	1.2-1.8	1.2.74-83	—	102¼	103	6.82%	6.44%
9½% Tauernautobahn 1974 (G)	1.7	1.7.81	—	108½	109½	8.72%	5.70%
8½% Voest 1973	1.10	1.10.79-88	1.6.78	106½	107	7.96%	7.51%
8½% Voest 1975	1.6	1.6.81-85	—	107	107½	7.93%	7.09%
6¾% Voest 1977	1.6	1.6.84-89	—	100¾	101¼	7.67%	6.73%
7% Wien 1968	1.6-1.12	1.6.74-83	1.6.73	103¾	104¼	6.72%	6.13%
8¼% Wien 1975	1.8	1.8.79-84	—	104	104½	7.91%	7.32%
U.S.$ BONDS							
6% Rep. Austria 1964	31.1-31.7	31.1.71-84	3.1.70	97¾	98½	6.12%	6.52%
6¾% Rep. Austria 1967	15.3-15.9	15.3.72-82	15.3.71	97¾	98¼	6.89%	7.46%
8¾% Rep. Austria 1976	15.8	15.8.78-90	15.8.77	95	95½	9.19%	7.36%
6¾% Aust. Electricity 1966 (G)	1.1-1.7	1.7.70-86	1.7.69	96¾	97½	6.82%	7.22%
6¾% Aust. Electricity 1967 (G)	1.4-1.10	1.10.71-82	1.10.70	97½	97¾	6.92%	7.61%
5¾% Alpine Montan 1965 (G)	15.6	15.6.72-85	15.6.71	92¾	93¼	6.18%	7.11%
8¼% Tauerautobahn 1977 (G)	15.3	15.3.83-87	15.3.82	93½	94	8.80%	9.35%
6½% Transalpine Fin. Hldg. 1966	31.10	31.10.70-85	31.10.69	94½	95	6.87%	7.51%
6¾% Transalpine Fin. Hldg. 1966	31.7	31.7.70-85	13.7.69	95¼	96	7.06%	7.60%
6¾% Transalpine Fin. Hldg. 1967	31.1	31.1.73-82	31.1.72	97¾	98¼	6.88%	7.42%
6¾% Transalpine Fin. Hldg. 1967	30.4	30.4.74-83	30.4.73	97¼	98	6.91%	7.39%
7½% Trans-Austria Gasline 1973	15.1	15.1.77-88	15.1.76	86	87	8.67%	8.05%
AUSTRIA SCHILLING BONDS							
9½% Kontrollbank 1974 (G)	14.8	14.8.79	—	100½	101¼	9.43%	8.35%
DOMESTIC ISSUES							
8% Investitionsanleihe 1973/B	15.2	15.2.77-81 (101)	—	101	101½	7.90%	7.65%
8% Investitionsanleihe 1973/II/B	3.7	3.7.76-81 (102)	—	101½	102¼	7.85%	7.67%
8% Investitionsanleihe 1974/B	1.4	1.4.76-82 (104.50)	R	104¼	104¾	7.66%	7.62%
8½% Investitionsanleihe 1974/II/B	22.10	22.10.75-82	—	101	101¾	8.36%	7.80%
8½% Investitionsanleihe 1975/II/B	11.6	11.6.76-84 (103)	—	102¼	103	8.28%	7.93%
8½% Investitionsanleihe 1975/S/II	25.7	25.7.76-85 (103)	—	103	103¾	8.22%	7.95%
8½% Investitionsanleihe 1975/III/B	28.10	28.10.76-84 (103)	—	102½	103¼	8.26%	8.00%
8½% Investitionsanleihe 1975/S/III/IV	27.12	27.12.79-85 (103.50)	—	104	104¾	8.14%	7.93%
8½% Investitionsanleihe 1975/V/B	12.12	12.12.79-85 (103.50)	—	104	104¾	8.14%	7.94%
8½% Investitionsanleihe 1976/S	20.2	20.2.81-86 (104)	—	103¾	104½	8.16%	7.92%
8% Investitionsanleihe 1977/S/III/B	2.6	2.6.82-87	—	100	100¾	7.97%	7.93%
8% Investitionsanleihe 1977/II/B	15.9	15.9.82-86	—	100	100¾	7.97%	7.91%
8% Investitionsanleihe 1977/III/B	20.12	20.12.82-86	—	100	100¾	7.97%	7.92%
8% Wasserwirtschaftsfondsanl 1977/III	3.6	3.6.82-86	—	100	100¾	7.97%	7.92%
8½% Energieanleihe 1975/IIB U.S.	29.10	29.10.79-85 (103.50)	—	104	104¾	8.14%	7.92%
8½% Wiener Stadtanleihe 1975/B	29.4	29.4.76-83	—	101¼	102	8.36%	7.62%
8% Wiener Stadtanleihe 1977/A	10.5	10.5.78-92	—	100	103¾	7.97%	7.91%
8% Wiener Stadtanleihe 1977/B	10.5	10.5.78-92	—	100	103¾	7.97%	7.91%
8% Europ. Investitionsbank Anl. 1976	20.10	20.10.80-86	—	99¾	100¾	7.98%	7.93%
8% Inter-Am. Entwicklungsbk. Anl. 1976	17.12	17.12.81-88	—	99¾	100¾	7.98%	7.95%
8% Tag Finco Anleihe 1976	19.11	19.11.81-88	—	99¾	100½	7.99%	7.96%
8% Sparkassenanleihe 1975/II/B	21.10	21.10.77-83 (101)	—	102½	102¾	8.29%	7.79%
8% Sparkassenanleihe 1977/S/B	26.7	26.7.80-83	—	100½	101	7.94%	7.75%

(R) Purchase for redemption purposes by issuer possible. The bonds so purchased may be used for repayment according to plan. (...) Repayment at a premium. (G) Government Guarantee. (S) Local Government Guarantee. Yield calculations are based on the middle price.

On international capital markets Austria ranks as Triple A. For knowledgeable investors, Austrian securities are particularly safe and attractive investments.

Austrian issuing houses may be considered models where market support is concerned. One more reason for many investors to buy Austrian bonds. Girozentrale Vienna is Austria's second largest bank. Issuing as it does it's own securities it looks after foreign companies on the Vienna Börse and it acts as a depository bank for investment funds. Leading or co-managing almost all domestic issues and having underwritten more than 220 issues on the Euro-Capital-Market in 1977 alone, Girozentrale Vienna is one of the leading Austrian institutions handling securities.

GZ

Girozentrale Vienna
Market Maker in Austrian Eurobonds

Manager Securities Trading Department: Karl VOMACKA, Tel.: 72 94 670, Telex 1-3195 · Deputy Manager, Eurobond Dealer: Markfried LILL, Tel.: 72 94 772, Telex: 1-3195 · Eurobond Dealer, Herbert STEINDORFER, Tel.: 72 94 675, Telex 1-3195 · Austrian Schillingbonds Dealer: Herbert PIERINGER, Tel.: 72 94 372, Telex: 1-3195 · Manager New Issue Sydication, Peter NOWAK, Tel.: 72 94 634, Telex 1-3915

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon Maturity		Price	Life / Average life	Yield to maturity / Yield to avge. life	Current yield	Yield to next call / Next call price	Call not. (days) / Next call date	Next S/F amount ($m) / First S/F date
		US DOLLARS-SWEDEN (CONTINUED)								
35.00	1976 / 100.00	MO OCH DOMSJO / 9.00 15/10/1986		88 3/8	7.87	11.30	10.18	/ 101.50	60 / 1981	1.75 / PF1977
25.00	1976 / 100.00	MO OCH DOMSJO / 9.50 15/ 2/1983		91 1/2	4.21	12.27	10.38	/ 100.50	60 / 1980	1.00 / PF1977
50.00	1977 / 99.25	SAAB-SCANIA / 8.50 15/ 3/1989		90 7/8	10.29	9.94	9.35	/ 101.50	30C / 1983	2.50 / PF1978
15.00 / 12.00	1971 / 98.50	SANDVIK / 9.00 1/ 8/1986	S	97 1/4	7.67 / 4.98	9.73 / 9.94	9.47	/ 102.00	45T / 1981	.75 / 1973
30.00 / 27.00	1976 / 100.50	SANDVIK / 9.50 15/ 4/1986		97 3/8	7.37 / 5.26	10.00 / 10.15	9.76	/ 102.00	45 / 1981	1.50 / 1977
30.00 / 27.00	1972 / 100.25	SCANRAFF / 7.50 15/12/1990		87 1/4	12.04 / 7.80	9.30 / 9.93	8.60	/ 100.375	30 / 1980	1.00 / DP1975
30.00 / 27.50	1973 / 99.75	SCANRAFF / 8.625 15/10/1988		95 3/8	9.87 / 7.47	9.36 / 9.52	9.04	/ 100.375	30 / 1979	1.00 / DP1975
40.00 / 38.50	1976 / 100.00	SKANDINAVISKA ENSKILDA / 9.00 1/12/1991		97	13.00 / 8.09	9.41 / 9.55	9.28	10.38 / 102.00	30 / 1982	1.50 / 1977
30.00 / 29.25	1977 / 100.50	SKF / 8.00 15/ 1/1987		90 7/8	8.13 / 5.93	9.46 / 10.12	8.80	/ 101.00	30 / 1982	.75 / DP1978
20.00 / 20.00	1976 / 99.50	SODRA SKOGSAGARNA / 9.50 15/12/1986		82 1/2	8.04 / 5.64	13.15 / 14.23	11.52	/ 101.50	45 / 1981	3.00 / 1981
20.00 / 20.00	1976 / 99.50	SPARBANKERNAS BANK / 8.75 1/ 9/1983		96 5/8	4.75 / 2.85	9.65 / 10.15	9.06	10.52 / 101.00	90C / 1981	3.50 / 1979
30.00 / 30.00	1977* / 100.00	SPARBANKERNAS BANK / 8.75 15/ 1/1988		95 7/8	9.13 / 4.78	9.44 / 9.88	9.13	10.22 / 101.00	90C / 1983	3.50 / 1979
40.00	1977 / 100.50	STATSFORETAG / 7.75 1/ 2/1982		95 3/8	3.17	9.49	8.13			
30.00	1975 / 99.00	STATSFORETAG / 9.25 15/ 9/1980		96 7/8	1.79	9.92	9.26	/ 100.00	/ 1979	
30.00 / 27.50	1976 / 99.00	SVENSKA HANDELSBANKEN / 9.25 1/ 1/1986		98 5/8	7.25 / 5.21	9.51 / 9.58	9.38	10.34 / 101.00	90C / 1981	1.00 / 1977
25.00 / 17.80	1976 / 100.00	SWEDISH EXPORT CREDIT / 7.875 15/10/1983	P / S	94 7/8	4.87 / 2.60	9.41 / 10.43	8.47	/ 101.00	30C / 1980	1.80 / 1977
25.00 / 16.50	1975 / 99.00	SWEDISH EXPORT CREDIT / 9.00 15/ 4/1982		100 3/4	3.37 / 1.92	8.70 / 8.56	8.93	9.03 / 100.50	30 / 1979	3.50 / 1976
15.00 / 12.50	1973 / 100.00	SWEDISH INVESTMENT BANK / 7.50 15/ 1/1988		90 1/4	9.13 / 5.61	9.11 / 9.45	8.31	/ 101.00	45C / 1981	.50 / 1974
15.00 / 12.00	1972 / 99.00	SWEDISH INVESTMENT BANK / 7.75 1/11/1987		98	8.92 / 5.43	8.07 / 8.21	7.91	/ 101.00	45C / 1980	.50 / 1973
15.00 / 15.00	1976 / 100.00	SYDKRAFT / 9.25 15/ 9/1986		94 5/8	7.79 / 5.59	10.27 / 10.56	9.78	/ 101.50	60 / 1981	2.00 / 1981
30.00 / 25.40	1976 / 100.00	UDDEVALLAVARVET / 7.75 1/12/1983	P / S	94 3/4	5.00 / 2.51	9.28 / 10.43	8.35	/ 101.00	30C / 1980	2.30 / 1977
23.00 / 23.00	1977 / 100.00	UDDEVALLAVARVET / 7.75 15/ 9/1984	P	91 3/8	5.79 / 4.70	9.76 / 10.13	8.48	/ 101.00	30 / 1981	2.50 / 1980
25.00 / 22.00	1972 / 100.50	VOLVO / 8.00 1/ 9/1987		90 3/4	8.75 / 5.91	9.60 / 10.15	8.82	/ 101.50	60 / 1980	1.20 / DP1977
35.00	1977 / 100.00	VOLVO / 9.00 1/ 3/1987		90 1/4	8.25	9.76	8.86	/ 101.50	60 / 1982	1.75 / PF1976
25.00	1975 / 99.50	VOLVO / 9.50 1/ 3/1985		98 1/4	6.25	9.87	9.67	/ 101.50	60 / 1980	1.25 / PF1976
		US DOLLARS-SWITZERLAND								
35.00 / 17.50	1971 / 100.00	ALUSUISSE IST / 7.00 1/ 7/1981	XW	96 5/8	2.58 / 1.58	8.48 / 9.33	7.24	/ 101.00	/ 1978	5.83 / 1976
75.00	1977 / 100.00	FIAT FIN CORP / 8.00 1/ 8/1982		93 3/4	3.67	10.09	8.53	10.96 / 100.50	30C / 1981	
35.00 / 31.50	1972 / 98.50	SWISS ALUMINIUM AUST LTD / 8.00 1/ 7/1987		97 3/8	8.58 / 4.58	8.43 / 8.70	8.22	/ 102.00	30 / 1981	3.50 / 1978
		US DOLLARS-VENEZUELA								
15.00 / 2.00	1965 / 99.00	REPUBLIC OF VENEZUELA / 6.25 15/ 4/1980	S	94	1.37 / 1.00	11.37 / 13.26	6.76	/ 100.375	30 / 1978	.50 / DP1966
100.00	1977 / 99.89	REPUBLIC OF VENEZUELA / 7.875 15/ 6/1982	S	94 1/4	3.54	10.08	8.33			
100.00	1977 / 99.50	REPUBLIC OF VENEZUELA / 8.00 15/ 2/1994		92 3/4	5.21	9.83	8.63	/ 101.00	30 / 1981	
100.00	1977 / 99.75	REPUBLIC OF VENEZUELA / 8.125 15/10/1984	S	93 1/2	5.87	9.82	8.58	10.07 / 100.00	30 / 1983	
50.00 / 50.00	1977 / 99.50	REPUBLIC OF VENEZUELA / 8.75 15/10/1992	S	93 5/8	13.67 / 9.37	9.82 / 10.04	9.56	10.23 / 101.91	30 / 1987	5.00 / DP1983
15.00 / 11.50	1972 / 100.00	VENEZUELA TEL / 8.25 15/12/1987	S	95 1/2	9.04 / 5.81	8.50 / 8.54	8.46	9.18 / 101.00	30 / 1980	.35 / DP1973
		US DOLLARS-UTD KINGDOM								
30.00 / 30.00	1973 / 100.00	AIRLEASE INT FIN / 8.75 1/10/1988		95 3/8	9.94 / 5.34	9.49 / 9.91	9.17	/ 102.00	60 / 1980	3.00 / DP1979
20.00 / 16.00	1971 / 100.00	AIRLEASE INT FIN / 9.00 1/ 8/1986		96 7/8	7.67 / 4.17	9.58 / 9.95	9.29	/ 102.00	60 / 1981	2.00 / DP1975
60.00 / 60.00	1977 / 100.50	ASHLAND OIL (GB) / 7.50 1/ 5/1982		95 7/8	3.42 / 1.92	8.92 / 9.96	7.82	/ 102.00	30 / 1978	15.00 / 1979
20.00 / 17.20	1972 / 99.50	B.I.C.C. FIN / 7.75 1/ 2/1987		90 1/2	8.17 / 4.55	9.46 / 10.48	8.56	/ 101.00	60C / 1982	1.35 / DP1975
30.00 / 27.00	1971 / 100.00	BARCLAYS BANK INT / 8.25 1/12/1986		96 5/8	8.00 / 4.00	8.86 / 9.29	8.56	/ 102.00	60 / 1979	3.00 / DP1977
50.00 / 50.00	1976 / 100.00	BARCLAYS BANK INT / 9.125 1/ 4/1985	P	98 3/4	6.33 / 5.33	9.38 / 9.41	9.24			16.00 / 1983
25.00 / 25.00	1976 / 100.00	BARCLAYS BANK INT / 9.125 15/ 4/1987		98 3/8	8.37 / 7.37	9.40 / 9.42	9.28			8.00 / 1985
50.00	1975 / 100.00	BARCLAYS BANK INT / 9.25 1/ 7/1982		99 3/8	3.58	9.43	9.31	10.23 / 101.00	60 / 1980	2.00 / PF1977
100.00	1977 / 100.00	BARCLAYS O'SEAS INVEST / 8.50 15/ 9/1992		94 1/2	13.79	9.21	8.99	9.45 / 101.25	45 / 1984	4.00 / PF1978
1.00	1967 / 100.00	BEECHAM INT / 6.25 31/ 7/1981	S	90 1/4	2.67	10.81	7.05	/ 101.50	30 / 1978	
45.00 / 33.50	1971 / 100.00	BEECHAM INT / 8.25 1/ 2/1986		93 7/8	7.17 / 4.75	9.45 / 9.93	8.79	/ 100.00	60 / 1981	2.50 / 1974
50.00 / 50.00	1977 / 100.00	BOWATER CORP / 9.25 15/ 5/1992		95	13.45 / 10.21	9.92 / 10.04	9.74	10.30 / 101.50	60 / 1985	2.00 / DP1981
30.00	1976 / 100.00	BOWATER CORP / 9.75 15/ 7/1986		99 1/2	7.62	9.83	9.80	10.29 / 101.50	60 / 1982	1.25 / PF1977
60.00	1976 / 100.00	BRITISH GAS / 9.00 1/ 2/1981		99	2.17	9.50	9.09			
16.00 / 14.40	1972 / 99.00	BRITISH LAND / 8.00 1/11/1987		84 1/2	8.92 / 4.92	10.79 / 12.38	9.47	/ 103.00	90 / 1980	1.60 / 1978
25.00 / 5.00	1966 / 99.75	BRITISH PETROLEUM / 6.75 21/12/1978		98 7/8	.06	27.84	6.83			5.00 / 1976
65.00 / 65.00	1977 / 100.00	BRITISH SHIPBUILDERS / 9.00 1/11/1992		89 1/2	13.92 / 11.45	10.44 / 10.63	10.06	/ 102.00	45 / 1982	10.00 / 1987
		US DOLLARS-UTD KINGDOM (CONTINUED)								
50.00 / 50.00	1974 / 99.00	BRITISH STEEL CORP / 8.625 15/ 1/1989		95 1/8	10.13 / 6.28	9.38 / 9.69	9.07	/ 102.00	45C / 1981	2.50 / DP1979
30.00 / 29.00	1972 / 100.00	CADBURY SCHWEPPES O/S / 7.75 15/10/1990		88	11.87 / 8.01	9.47 / 9.98	8.81	/ 102.00	60 / 1980	1.00 / DP1978
25.00 / 25.00	1973 / 98.50	CAPITAL & COUNTIES PROP / 9.00 1/11/1988		91 3/4	9.92 / 5.42	10.36 / 11.11	9.81	/ 102.00	60 / 1981	2.50 / DP1979
50.00 / 50.00	1977 / 99.50	CAVENHAM INTL BV / 9.50 15/12/1987		92 1/2	9.04 / 6.23	10.84 / 11.23	10.27	/ 102.00	30 / 1982	1.00 / 1979
15.00	1973 / 100.00	CITY & COUNTY OF BRISTOL / 8.25 15/ 4/1979		98 5/8	.37	11.90	8.37			
25.00	1977 / 100.00	CITY OF COVENTRY / 8.25 1/ 5/1980		97	1.42	10.55	8.51			
20.00	1976 / 98.75	CITY OF COVENTRY / 8.875 1/ 2/1981		98 1/4	2.17	9.78	9.03	/ 100.50	30 / 1980	
25.00 / 21.00	1973 / 100.00	CITY OF DUNDEE / 9.25 15/10/1983		98	4.87 / 2.97	9.77 / 10.05	9.44			4.00 / 1978
25.00	1973 / 100.00	CITY OF EDINBURGH / 9.00 1/11/1981		97 3/4	2.92	9.91	9.21			
75.00	1973 / 99.00	CITY OF GLASGOW / 8.25 15/ 5/1980		97 1/8	1.45	10.40	8.49			
40.00	1973 / 99.75	CITY OF LIVERPOOL / 9.875 31/ 8/1979	S	98 7/8	.75	11.81	10.24			
50.00 / 50.00	1973 / 99.50	CITY OF MANCHESTER / 8.25 15/ 5/1981		97 3/4	2.45 / 1.47	9.27 / 9.89	8.44			16.00 / 1979
15.00	1971 / 100.00	COMMERCIAL UNION / 7.875 15/12/1978		99 5/8	.04	16.99	7.90			
30.00 / 28.60	1971 / 100.00	COMMERCIAL UNION / 8.50 15/12/1986		95 1/8	8.04 / 5.37	9.39 / 9.72	8.94	/ 102.00	60 / 1979	.70 / DP1976
20.00 / 8.60	1970 / 100.00	COURTAULDS INT FIN / 9.00 1/ 2/1982	S	97 3/4	3.17 / 1.67	10.08 / 10.76	9.42	/ 100.00	60 / 1979	2.15 / 1974
20.00 / 13.00	1970 / 98.00	COURTAULDS INT FIN / 9.25 1/10/1985		97 3/4	6.84 / 4.41	9.70 / 9.91	9.46	10.42 / 100.00	60 / 1980	1.50 / 1971
50.00	1976 / 99.50	ELECTRICITY COUNCIL / 8.75 15/ 3/1981		98 7/8	2.29	9.28	8.85			
15.00 / 6.00	1967 / 98.50	EMI / 6.75 15/11/1982		94 7/8	3.96 / 2.46	8.32 / 9.19	7.11	/ 100.50	30 / 1978	1.50 / 1973
50.00 / 50.00	1977 / 100.00	ENI FINANCE BV / 9.25 15/ 4/1989		94 1/4	10.37 / 8.67	10.16 / 10.27	9.81	10.89 / 101.50	45 / 1985	4.00 / DP1983
20.00 / 18.20	1972 / 100.50	FISONS / 8.25 1/ 7/1987		91 1/4	8.58 / 5.37	9.79 / 10.45	9.04	/ 101.00	60C / 1980	1.10 / DP1975
20.00 / 20.00	1977 / 100.00	FISONS INT FIN / 8.75 1/ 8/1992		92	13.67 / 10.49	9.83 / 10.00	9.51	10.37 / 101.00	45 / 1985	1.00 / DP1982
25.00 / 19.90	1971 / 100.00	G.U.S. INTERNATIONAL / 8.50 1/ 3/1986		93 3/4	7.23 / 4.18	9.73 / 10.40	9.07	/ 102.00	45 / 1981	1.70 / 1976
15.00 / 14.50	1974 / 100.00	G.U.S. INTERNATIONAL / 9.50 5/ 4/1989		97 3/8	10.33 / 6.03	9.90 / 10.09	9.76	10.44 / 102.00	45 / 1984	1.00 / 1978
25.00 / 22.00	1975 / 100.00	GOLD FIELDS (BERMUDA) / 10.25 15/ 7/1985		98	6.62 / 5.21	10.66 / 10.76	10.46	10.96 / 100.25	30 / 1982	1.00 / DP1976
25.00 / 23.50	1972 / 98.50	GRAND METROPOLITAN HOTEL / 7.50 15/12/1987		87 1/8	9.04 / 5.26	9.70 / 10.80	8.61	/ 101.00	45T / 1980	.50 / 1975
15.00 / 10.20	1970 / 100.00	GRAND METROPOLITAN HOTEL / 9.25 1/ 1/1986		97 3/8	7.09 / 3.76	9.72 / 10.05	9.48	10.56 / 100.00	30C / 1981	1.20 / 1974
30.00 / 25.20	1972 / 98.75	GUARDIAN ROYAL EXCHANGE / 8.00 1/ 7/1987		91 3/4	8.58 / 6.30	9.43 / 9.81	8.72	/ 101.00	60 / 1980	1.20 / DP1975
25.00 / 22.00	1972 / 100.50	HAMBROS / 7.75 1/10/1987		88 3/8	8.84 / 6.52	9.76 / 10.28	8.77	/ 101.50	30 / 1980	1.00 / DP1976
24.00 / 17.40	1970 / 100.00	HAMBROS / 9.50 15/12/1985		98	7.04 / 4.14	9.90 / 10.12	9.69	11.10 / 101.00	60C / 1980	1.80 / 1971
20.00	1970 / 98.50	HILL SAMUEL GROUP / 7.00 31/ 3/1982	WW	91 5/8	3.33	10.05	7.64	/ 100.00	30 / 1978	
20.00	1970 / 98.50	HILL SAMUEL GROUP / 7.00 31/ 3/1982	XW	88 1/4	3.33	11.40	7.93	/ 100.00	30 / 1978	
20.00 / 15.40	1971 / 100.00	HILL SAMUEL GROUP / 8.50 15/11/1986		94	7.96 / 4.77	9.61 / 10.16	9.04	/ 100.25	30 / 1979	1.50 / DP1974
30.00 / 24.00	1967 / 99.50	ICI LTD / 6.50 15/ 3/1982		97 1/8	3.29 / 1.79	7.50 / 8.30	6.59	/ 101.50	90T / 1979	6.00 / 1978
50.00 / 46.75	1972 / 100.00	ICI INT FIN / 7.50 1/ 2/1992		93 7/8	13.17 / 6.07	8.28 / 8.84	7.99	/ 100.75	45C / 1979	3.25 / 1978
100.00 / 100.00	1977 / 100.00	ICI INT FIN / 8.25 1/ 1/1987		95 1/2	8.04 / 6.69	9.24 / 9.40	8.73	10.27 / 101.50	90C / 1983	10.00 / 1983
25.00 / 24.00	1972 / 100.00	KLEINWORT BENSON / 8.25 15/ 5/1987		90 1/2	8.45 / 5.70	9.95 / 10.53	9.12	/ 102.00	60 / 1980	1.00 / DP1975
30.00 / 22.50	1973 / 100.00	LANCASHIRE C.C. / 9.50 15/ 9/1981		98 1/2	2.79 / 1.79	10.11 / 10.41	9.64			7.50 / 1978
30.00 / 26.60	1973 / 100.00	LEGAL & GENERAL ASSCE / 7.625 1/ 2/1988		88 1/8	9.17 / 5.90	9.62 / 10.42	8.65	/ 101.00	60C / 1981	1.40 / DP1975
25.00 / 23.50	1973 / 100.25	MEPC ESTATES & PROP / 8.00 1/ 2/1991		82 1/2	12.17 / 7.72	10.62 / 11.56	9.70	/ 103.00	90 / 1980	.75 / 1977
15.00 / 12.00	1971 / 100.00	MEPC ESTATES & PROP / 8.75 1/12/1986		91 5/8	8.00 / 4.35	10.34 / 11.31	9.55	/ 103.00	90 / 1979	1.20 / 1974
75.00 / 75.00	1976 / 99.00	MIDLAND INTL FIN SERVICE / 8.75 1/12/1986		97 1/2	8.00 / 5.20	9.20 / 9.30	8.97	9.48 / 100.50	60C / 1983	10.00 / DP1980
75.00 / 75.00	1977 / 100.50	MIDLAND INTL FIN SERVICE / 8.75 1/ 9/1992		95	13.75 / 10.15	9.40 / 9.53	9.21	9.95 / 101.50	60 / 1985	7.50 / DP1984
15.00 / 9.75	1970 / 98.00	MONTAGU TRUST / 9.25 15/10/1985		97 1/4	6.87 / 4.10	9.81 / 10.10	9.51	/ 101.75	30T / 1979	.75 / 1972
30.00 / 25.20	1972 / 100.50	NATIONAL & GRINDLAYS BNK / 7.75 15/11/1987		89 3/4	8.96 / 6.24	9.50 / 10.05	8.64	/ 101.50	60C / 1980	1.20 / DP1975
100.00 / 100.00	1977 / 99.00	NATIONAL COAL BOARD / 8.00 1/ 9/1987		92 5/8	8.75 / 6.95	9.25 / 9.49	8.64	10.29 / 101.50	45 / 1983	5.00 / DP1979
50.00	1976 / 99.50	NATIONAL COAL BOARD / 8.625 15/ 7/1981		97 3/4	2.62	9.59	8.82			
50.00 / 47.50	1973 / 99.00	NATIONAL COAL BOARD / 8.625 15/10/1988		95	9.87 / 6.35	9.42 / 9.72	9.08	/ 101.00	45C / 1980	2.50 / DP1978
50.00 / 50.00	1976 / 100.00	NATIONAL WESTMINSTER BNK / 9.00 1/ 7/1986		97 3/4	7.58 / 4.64	9.41 / 9.60	9.21	10.34 / 101.00	60 / 1981	7.00 / DP1980
75.00	1976* / 100.00	NATIONAL WESTMINSTER BNK / 9.00 15/ 6/1986		97 3/4	7.54	9.41	9.21	9.70 / 100.50	45 / 1983	
25.00 / 20.00	1971 / 98.00	PLESSEY / 8.50 15/ 6/1986		94 5/8	7.54 / 4.04	9.51 / 10.16	8.98	/ 102.00	60 / 1981	2.50 / DP1977
20.00 / 18.80	1973 / 99.00	RHM INTERNATIONAL / 8.00 1/ 3/1986		88 1/4	9.25 / 6.39	9.99 / 10.61	9.07	/ 101.00	60C / 1981	.40 / DP1976
60.00 / 40.00	1977 / 100.00	RHM OVERSEAS FIN / 9.00 15/ 8/1992		92 1/4	13.71 / 10.41	10.05 / 10.24	9.76	10.83 / 101.50	65 / 1985	2.00 / DP1981
25.00 / 21.25	1971 / 100.00	RANK ORGANISATION / 8.75 1/11/1986		94 1/8	7.42 / 4.83	9.85 / 10.32	9.30	/ 102.00	60 / 1979	2.50 / DP1976
40.00 / 40.00	1977 / 100.00	REED INTERNATIONAL / 9.00 15/ 5/1987		90 7/8	8.45 / 7.15	10.67 / 10.89	9.90	/ 101.50	45 / 1983	4.50 / DP1983
45.00 / 32.75	1969 / 99.50	RIO TINTO-ZINC / 6.75 1/ 5/1984	WW	90	5.42 / 3.16	9.05 / 10.62	7.50	/ 102.00	90 / 1979	2.75 / 1972
		US DOLLARS-UTD KINGDOM (CONTINUED)								
45.00 / 32.75	1969 / 99.50	RIO TINTO-ZINC / 6.75 1/ 5/1984	XW	90 3/8	5.42 / 3.16	9.05 / 10.47	7.47	/ 102.00	90 / 1979	2.75 / 1972
50.00 / 50.00	1977 / 99.50	SELECTION TRUST / 8.75 1/ 8/1989		88 3/8	10.67 / 9.12	10.61 / 10.81	9.90	11.78 / 102.00	45 / 1984	2.50 / DP1983
20.00 / 19.50	1973 / 99.50	SLOUGH ESTATES / 8.00 1/ 2/1988		88 5/8	9.17 / 5.33	9.94 / 10.82	9.03	/ 102.00	30C / 1981	1.25 / DP1978
12.00 / 10.50	1971 / 98.50	SLOUGH ESTATES / 8.75 15/ 2/1986		92 5/8	7.21 / 4.50	10.28 / 10.98	9.47	/ 100.00	90C / 1981	.75 / 1977
75.00	1976 / 99.00	SOUTH OF SCOTLAND ELECT / 8.25 1/12/1981		96 5/8	3.00	9.60	8.54			
25.00	1973 / 100.00	TEESSIDE CORPORATION / 8.00 1/ 4/1979		98 5/8	.33	12.09	8.11			
15.00 / 15.00	1972 / 100.00	TOWN & CITY NEDERLAND / 8.00 15/ 1/1988		83 5/8	9.13 / 4.63	11.32 / 13.61	9.60	/ 103.00	90 / 1981	1.50 / DP1979
18.00 / 11.00	1970 / 100.00	TRUST HOUSES GROUP / 7.75 15/ 4/1985	WW	116 1/8	6.37 / 3.83	5.09 / 2.51	6.79	40 / 102.50	90 / 1979	2.00 / 1973
18.00 / 11.00	1970 / 100.00	TRUST HOUSES GROUP / 7.75 15/ 4/1985	XW	92 3/4	6.37 / 3.83	9.29 / 10.85	8.36	/ 102.50	90 / 1979	2.00 / 1973
30.00 / 30.00	1977 / 99.50	UNITED BISCUITS(UK) / 9.00 15/ 5/1989		95	10.45 / 9.33	9.77 / 9.83	9.47	10.44 / 101.50	45 / 1984	1.20 / DP1982
25.00 / 23.50	1973 / 98.50	UNITED DOMINIONS TRUST / 8.75 1/12/1988		89 5/8	10.00 / 6.62	10.47 / 11.05	9.76	/ 102.00	45 / 1978	1.00 / DP1975
200.00	1978* / 100.00	UNITED KINGDOM / 8.50 1/ 5/1985	S	96 1/2	6.42	9.45	9.00	9.55 / 100.00	30 / 1984	
150.00 / 150.00	1978* / 99.00	UNITED KINGDOM / 8.875 1/ 5/1993	S	97 1/4	14.42 / 10.42	9.43 / 9.51	9.33	9.67 / 101.82	30 / 1988	16.70 / DP1985
20.00 / 12.00	1972 / 99.00	WELLCOME FOUNDATION / 8.25 1/ 6/1987		94	8.50 / 4.50	9.29 / 9.94	8.78	/ 102.00	40 / 1980	2.00 / 1978
25.00 / 21.50	1972 / 100.50	WILLIAMS & GLYNS BANK / 8.25 1/ 6/1987		92 5/8	8.50 / 5.57	9.54 / 10.02	8.91	/ 102.00	30 / 1980	1.75 / 1977
		US DOLLARS-UNITED STATES								
25.00 / 9.60	1967 / 99.00	AMAX HOLDINGS / 6.25 1/ 6/1982		96 1/4	3.50 / 2.13	7.49 / 8.24	6.49	/ 100.75	30 / 1978	2.70 / 1973
20.00 / 17.20	1971 / 98.00	AMAX INT CAP (SER A.) / 8.75 1/ 4/1986		97 3/4	7.33 / 4.45	9.17 / 9.37	8.95	/ 101.00	30 / 1979	1.36 / DP1976
12.00 / 7.92	1971 / 97.00	AMAX INT CAP / 8.75 1/ 4/1986		97 3/4	7.33 / 4.45	9.17 / 9.37	8.95	/ 101.00	30 / 1979	.82 / DP1976
40.00 / 28.00	1972 / 99.00	AMERADA HESS INT CAP / 6.75 1/ 7/1987	WW	89 1/2	8.58 / 4.73	8.51 / 9.60	7.54	/ 101.00	30 / 1980	3.00 / DP1975
40.00 / 28.00	1972 / 99.00	AMERADA HESS INT CAP / 6.75 1/ 7/1987	XW	89 3/4	8.58 / 4.73	8.47 / 9.53	7.52	/ 101.00	30 / 1980	3.00 / DP1975
25.00 / 16.00	1969 / 98.50	AMERICAN BRANDS O/S / 8.00 15/11/1981		97 1/8	2.96 / 1.56	9.25 / 10.12	8.24	/ 100.125	30 / 1978	2.00 / DP1971
25.00 / 23.50	1974 / 97.00	AMERICAN MOTORS CORP / 9.00 15/ 1/1989		83 7/8	10.13 / 6.85	11.80 / 12.65	10.73	/ 102.00	90C / 1981	.50 / DP1976
25.00 / 10.30	1965 / 99.50	AMOCO OIL HLDGS / 5.75 1/10/1985	S	98 1/2	6.84 / 3.84	6.11 / 6.29	5.92	/ 102.00	30 / 1978	1.47 / 1969
15.00 / 4.50	1968 / 98.00	ARMCO INT FIN / 7.25 1/ 4/1980		97	1.33 / .89	9.69 / 10.96	7.47	/ 100.00	30 / 1978	2.00 / DP1971
25.00 / 23.50	1972 / 99.25	ASHLAND OIL FIN / 8.00 15/ 6/1987		98 3/8	8.54 / 4.54	8.26 / 8.42	8.13	/ 101.00	30 / 1980	2.30 / 1978
25.00	1978* / 100.00	AVCO O/S CAP / 9.25 1/ 3/1985		96 7/8	6.25	9.93	9.55	10.27 / 100.50	30 / 1983	2.50 / PF1980
5.00 / 2.50	1968 / 100.00	AVERY PRODUCTS INT / 7.75 1/12/1980		95 1/2	2.00 / 1.10	10.35 / 12.41	8.12	/ 100.00	30 / 1978	.75 / DP1972
15.00 / 4.50	1966 / 97.50	AVON O/S CAP / 6.25 1/ 2/1981	S	97 1/4	2.17 / 1.17	7.79 / 8.95	6.53	/ 100.00	30 / 1978	1.50 / DP1972
100.00	1978* / 100.00	BEATRICE FOODS O/S / 7.75 1/ 5/1983		95 3/8	4.42	9.04	8.13	/ 101.00	30 / 1980	
15.00 / 5.00	1970 / 100.00	BEATRICE FOODS O/S / 9.00 15/ 3/1985		100 5/8	6.29 / 3.95	8.85 / 8.80	8.94	/ 101.00	30 / 1978	1.00 / DP1973
15.00 / 4.00	1969 / 97.00	BENDIX INT FIN / 8.00 1/ 7/1979		98 1/8	.58	11.20	8.15	/ 100.00	30 / 1978	4.00 / DP1970
20.00 / 19.20	1972 / 99.00	BLUE BELL INT FIN / 7.75 15/10/1987		90 3/4	8.57 / 5.81	9.32 / 9.91	8.54	/ 102.50	30 / 1978	.80 / DP1978
15.00 / 4.00	1969 / 97.25	BORG-WARNER O/S CAP. / 8.00 1/ 9/1979		98 1/8	.75	10.61	8.15	/ 100.00	30 / 1978	4.00 / DP1970
20.00 / 13.00	1972 / 98.00	BURLINGTON O/S CAP / 7.75 1/ 4/1987		92 1/4	8.33 / 5.33	9.10 / 9.66	8.40	/ 100.25	30 / 1979	1.00 / DP1977
15.00 / 7.00	1970 / 99.00	CABOT INT CAP / 9.50 15/ 9/1980	S	98 1/2	1.79 / 1.65	10.69 / 10.79	9.64	/ 100.00	30 / 1978	1.00 / 1971
25.00 / 24.25	1972 / 99.00	CARRIER INT / 8.00 15/ 6/1987		94 1/8	8.54 / 6.33	9.00 / 9.25	8.50	/ 101.50	30 / 1978	.75 / DP1978
20.00 / 8.00	1967 / 98.00	CELANESE INT FIN / 6.75 1/ 7/1982		98 1/8	3.58 / 2.08	7.34 / 7.75	6.88	/ 101.00	30 / 1978	2.00 / 1973
25.00 / 7.50	1968 / 98.50	CHEVRON OIL O/S / 7.00 1/ 2/1980		96 3/8	1.17 / .71	10.40 / 12.73	7.26	/ 100.00	30 / 1978	3.50 / DP1974
25.00 / 13.50	1969 / 97.00	CHRYSLER O/S CAP / 7.00 15/ 2/1984		94 3/8	5.21 / 2.88	8.36 / 9.32	7.42	/ 101.50	30C / 1979	3.00 / DP1972
100.00	1977 / 100.00	CITICORP O/S FIN / 6.75 15/10/1980		94 3/4	1.87	9.93	7.12			
200.00	1977 / 99.75	CITICORP O/S FIN / 7.00 15/10/1981		93 5/8	2.87	9.63	7.48			
30.00	1977 / 100.00	CITY INVESTING FIN / 8.75 1/ 5/1984		91 7/8	5.42	10.78	9.52	11.75 / 100.00	30 / 1982	1.07 / PF1978
15.00 / 1.50	1966 / 100.00	CLARK EQUIPMENT O/S / 6.50 1/ 3/1981	S	91	2.25 / 2.17	9.70 / 9.05	5.01	/ 100.00	30 / 1978	1.50 / DP1976
50.00 / 41.00	1971 / 99.25	CONOCO EUROFINANCE / 8.00 15/ 2/1986		96	7.21 / 4.24	8.76 / 9.17	8.33	/ 100.25	30 / 1979	4.00 / DP1976
50.00 / 47.00	1973 / 99.50	CONSOLIDATED FOODS / 7.50 15/ 1/1991		89 5/8	12.13 / 5.39	8.93 / 9.34	8.37	/ 100.375	30T / 1980	1.00 / DP1976
20.00 / 7.00	1968 / 98.00	CONTINENTAL OIL INT / 7.00 1/ 2/1980		97 1/4	1.17 / .74	9.55 / 11.08	7.20	/ 100.00	30 / 1978	3.00 / 1969
25.00 / 9.99	1970 / 98.00	CONTINENTAL OIL INT / 9.50 1/ 7/1985		101 7/8	6.58 / 4.16	9.09 / 8.93	9.33	8.28 / 100.25	30 / 1980	1.88 / DP1971
20.00 / 17.00	1971 / 100.00	CONTINENTAL TELEPHONE / 8.25 15/ 2/1986		96 3/8	7.21 / 3.92	8.94 / 9.40	8.56	/ 103.00	30 / 1978	2.00 / DP1976
20.00 / 10.10	1970 / 99.75	CONTINENTAL TELEPHONE / 9.00 1/ 2/1982		98 7/8	3.17 / 2.16	9.40 / 9.57	9.10	/ 100.00	30 / 1979	1.70 / DP1972
20.00 / 15.00	1971 / 100.00	CORNING INT / 8.50 15/ 3/1986		98 1/4	7.29 / 4.23	8.82 / 9.00	8.65	/ 102.00	30 / 1979	1.50 / DP1976
10.00 / 4.00	1968 / 100.00	CUTLER-HAMMER INT FIN / 7.50 1/ 9/1980		97	1.75 / 1.25	9.40 / 10.18	7.73	/ 100.00	30 / 1978	2.00 / 1972
15.00 / 13.00	1972 / 99.00	CUTLER-HAMMER INT FIN / 8.00 15/ 6/1987		94 3/4	8.54 / 5.39	8.89 / 9.27	8.44	/ 100.25	30 / 1980	1.00 / DP1975

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Life / Average life	Yield to maturity / Yield to avge. life	Current yield	Yield to next call / Next call price	Call not. (days) / Next call date	Next S/F amount ($m) / First S/F date
		US DOLLARS-UNITED STATES (CONTINUED)							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Life / Average life	Yield to maturity / Yield to avge. life	Current yield	Yield to next call / Next call price	Call not. (days) / Next call date	Next S/F amount ($m) / First S/F date
		US DOLLARS-SUPRANATIONAL (CONTINUED)							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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US DOLLARS–FLOATING RATE (CONTINUED)

Amount (Mln) / Issue price	Year of issue	Borrower / Coupon / Maturity	Price	Life	Current yield	Next call price	Call date	Next S.F.
30.00 / 100.00	1976	BANK HANDLOWY 6.25:1-1/4 / 9.813 10/ 6/1981 S	99	2.53	9.91	101.00	45C 1979	
35.00 / 97.00	1977	BANK HANDLOWY 6.75:3/8 / 6.75 13/ 1/1982 S	98 7/8	3.12	6.83			
30.00 / 100.00	1978*	BANK HANDLOWY 1.8:1-1/8 / 12.438 25/ 5/1988 S	97 1/4	9.48 / 7.48	13.30	101.00	60C 1982	6.00 1984
40.00 / 100.00	1975	BANK OF TOKYO 8:1/4 / 11.938 19/12/1983 S	100 3/8	1.97	11.89	100.00	30C 1979	
35.00 / 100.00	1976	BANK OF TOKYO 6.75:1/4 / 10.625 20/10/1981 S	100 1/8	2.85	10.61	100.00	30C 1979	
60.00 / 100.00	1977	BANK OF TOKYO 6.5:1/4 / 12.313 15/12/1984 S	99 5/8	5.96	12.36	100.00	30C 1981	
30.00 / 100.00	1978*	BANK OF TOKYO 5.5:1/4 / 10.50 16/10/1993 S	96 3/4	14.88	10.85	100.00	30C 1983	
30.00 / 100.00	1978*	BANQUE ROUGE 5.75:1/4 / 9.400 23/ 6/1985 S	98 1/8	6.34	9.27	100.00	30C 1981	
30.00 / 100.00	1976	B.F.C.E. 1/2 / 9.438 28/ 3/1981 S	99	2.72	9.53	100.00	15C 1977	
35.00 / 100.00	1978*	BQUE EXT. D'ALG. 8.375:3/4 / 9.625 9/ 8/1984 S	97 3/8	5.69	9.88	100.00	30C 1981	2.00 PP1979
40.00 / 100.00	1978*	BQUE EXT. D'ALGER 7.5:5/8 / 12.75 2/11/1985 S	96 1/8	6.92	13.26	100.00	30C 1980	
30.00 / 100.00	1977	BQUE NAT D'ALGE 7.75:3/4 / 10.688 15/10/1982 S	97	3.87	11.02	100.00	60C 1980	
30.00 / 100.00	1976	BAYER. VEREINS 1/4 / 8.875 1/ 6/1981 S	100	2.50	8.88	100.00	60 1979	
75.00 / 100.00	1976	B.N.P. 7:1/4 / 9.313 1/ 3/1983 S	98 3/4	4.23	9.43	100.00	1978	
50.00 / 100.00	1975	B.N.P. 7.5:1/8 / 9.625 18/ 9/1981 S	99 7/8	2.80	9.64	100.00	1979	
70.00 / 100.00	1977	B.N.P. 5.75:1/4 / 9.313 21/ 1/1983 S	99	4.16	9.41	100.00	1980	
75.00 / 100.00	1978*	B.N.P. 5 1/4 / 9.25 21/ 2/1986 S	98 3/4	5.23	9.37	100.00	30 1982	
30.00 / 100.00	1976	BQUE INDO ET SUEZ 1/4 / 9.313 15/ 7/1981 S	99 1/4	2.62	9.38	100.00	30 1979	
40.00 / 100.00	1978*	BQUE INDO/SUEZ 5.5:1/4 / 9.375 25/ 7/1985 S	97 7/8	6.65	9.58	100.00	30C 1981	
20.00 / 100.00	1978*	BQUE INT AFR OCC 6.5:1/4 / 9.375 12/ 7/1983 S	97 1/8	4.62	9.65	100.50	60C 1981	
20.00 / 100.00	1977	BQ LOUIS-DREYFUS 6.5:3/8 / 9.625 9/ 3/1983 S	97 3/8	4.27	9.88	100.00	60C 1980	
35.00 / 99.00	1977	BEOGRADSKA BANKA 8:1.0 / 12.00 27/ 4/1983 S	97 1/2	4.43	12.31			3.50 PP1978
50.00	1978*	C.C.C.E. 5.25:1/4	96 3/4	19.67	9.58		60C	3.33

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The following Tombstone announcements were published in the Financial Times during November

BONDS

Tombstone date		Publication date
31/10/78	EUROPEAN COAL AND STEEL COMMUNITY US$18,000,000 Private Placement Notes due 1990 Nomura Europe N.V.	1/11/78
Oct. 78	BANQUE EXTERIEURE D'ALGERIE DM 100,000,000 7¼% Bearer Notes 1983-85 DG Bank and others	1/11/78
2/11/78	MARUDAI FOOD CO. LTD. DM 50,000,000 3½% DM Convertible Bonds 1987 Deutsche Bank Aktiengesellschaft and others	2/11/78
3/11/78	BANKAMERICA OVERSEAS FINANCE CORPORATION N.V. DM 150,000,000 5¾% DM bonds of 1990 Deutsche Bank Aktiengesellschaft and others	2/11/78
3/11/78	EUROPEAN COAL AND STEEL COMMUNITY DM 150,000,000 6% DM bonds of 1988 Deutsche Bank Aktiengesellschaft and others	2/11/78
2/11/78	BANQUE EXTERIEURE D'ALGERIE US$40,000,000 Floating Rate Notes due 1985 National Bank of Abu Dhabi and others	3/11/78
6/11/78	UNILEVER USF INVESTMENTS LTD. French Francs 100,000,000 10% Guaranteed Notes 1985 Banque de l'Union Europeenne and others	6/11/78
1/11/78	CANADA US$400,000,000 9% Bonds due 1983 US$350,000,000 9¼% Bonds due 1998 Morgan Stanley & Co. Inc. and others	6/11/78
8/11/78	CITY OF COPENHAGEN DM 75,000,000 6% DM bonds of 1978/1990 Deutsche Bank Aktiengesellschaft and others	8/11/78
Oct. 78	NOVO INDUSTRI A/S US$20,000,000 7% Convertible Bonds 1989 Morgan Grenfell & Co. Ltd. and others	9/11/78
6/10/78	EUROPEAN INVESTMENT BANK 200,000,000 French Francs 9¼% Bonds due 1988 Credit Commercial de France and others	10/11/78
Nov. 78	THE LONG-TERM CREDIT BANK OF JAPAN FINANCE N.V. US$75,000,000 Guaranteed Floating Rate Notes due 1985 Credit Suisse First Boston Ltd. and others	10/11/78
Nov. 78	THE COUNCIL OF EUROPE RESETTLEMENT FUND DM 130,000,000 6¼% Bearer Bonds of 1978 (88-34)	13/11/78
Nov. 78	THE COUNCIL OF EUROPE RESETTLEMENT FUND DM 130,000,000 6¼% Bearer Bonds of the loan of 1978 (84-88) 11 Berliner Handels-und Frankfurter Bank and others	13/11/78
22/9/78	BANCO CENTRAL DE RESERVA DE EL SALVADOR US$25,000,000 Guaranteed Floating Rate Notes due 1983 Banque Nationale de Paris and others	13/11/78
12/10/78	KOMMUNLANEINSTITUTET AKTIEBOLAG 15,000,000 European Units of Account 7¼% 1978-1993 Bonds Svenska Handelsbanken and others	14/11/78
16 Nov. 78	REPUBLIC OF PANAMA Kuwait Dinars 6,000,000 8¼% Notes due 1990 Kuwait Int. Inv. Co. s.a.k. and others	16/11/78
17/11/78	OLYMPUS OPTICAL CO LTD. DM 80,000,000 3¼% Deutsche Mark Convertible Bonds of 1978/1985 Deutsche Bank and others	17/11/78
16/11/78	PAPACHRISTIDIS SHIPPING Ltd. US$36,238,759 Secured Notes due 1990 and 1991 Lehman Bros. Kuhn Loeb	17/11/78
Nov. 78	THE COUNCIL OF EUROPERESETTLEMENT FUND DM 20,000,000 6¼% Bearer Bonds of 1978 (84-88) 111 Berliner Handels-und Frankfurter Bank	20/11/78
3/11/78	B.A.L.M. US$18,000,000 six year floating rate note Union de Banques Arabes et Francaises U.B.A.F. and others	20/11/78
15/11/78	THE HOKKAIDO TAKUSHOKU BANK LTD. US$20,000,000 Three Year Negotiable Floating Rate Hill Samuel & Co. Ltd. Banque Arabe et Int. d'Inv.	20/11/78
	LEUMI INTERNATIONAL INVESTMENTS N.V. US$60,000,000 Guaranteed Floating Rate Notes due 1985 Bank Leumi Le-Israel B.M.	17/11/78
23/11/78	NIPPON YUSEN KABUSHIKI KAISHA DM 50,000,000 3¼% Convertible Bonds due 1985 Westdeutsche Landesbank Girozentrale and others	23/11/78
Nov. 78	UNILEVER USF INVESTMENTS LIMITED French Francs 100,000,000 10% Guaranteed Notes 1978-1985 Banque de l'Union Europeenne and others	27/11/78
28/11/78	REPUBLIC OF FINLAND DM 150,000,000 6% Bearer Bonds 1978/1983 Dresdner Bank Aktiengesellschaft and others	28/11/78
Nov. 78	ARAB-MALAYSIAN DEVELOPMENT BANK DM 20,000,000 Credit Facility Due 1983 Bayerische Landesbank Int. S.A. US$20,000,000 Floating Rate Notes due 1983 Abu Dhabi Investment Co. and others	29/11/78
30/11/78	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT DM 400,000,000 6¼% DM Bonds due 1988 Deutsche Bank Aktiengesellschaft and others	30/11/78

LOANS

Tombstone date		Publication date
Oct. 78	DESARROLLO PARA LA VIVIENDA C.A. 'DEVICA' U.S. Dollar equivalent of Bolivares 90,000,000 3 year loan facility Orion Bank Ltd and The Royal Bank of Canada	1/11/78
Oct. 78	BANCA SOMEX S.A. US$225,000,000 Medium Term Facility Bank America Int. Group and others	1/11/78
	WESTERN UNION CORPORATION US$55,000,000 7 year facility Singer & Friedlander Ltd	1/11/78
	THE REPUBLIC OF VENEZUELA US$200,000,000 Medium Term Loan Lloyds Bank Int. Ltd. and others	1/11/78
14/9/78	THE FED-MART CORPORATION $50,000,000 Domestic Financing Security Pacific Nat. Bank and others $15,000,000 Euro Financing Union Bank of Bavaria and others	1/11/78
	SARPSBORG MEK. VERKSTED A/S K/S NOK 75,000,000 Floating Rate Construction Credit Facility Union Bank of Norway Ltd.	1/11/78
	SAMSUNG HEAVY INDUSTRIES CO. LTD. US$12,000,000 Medium Term Loan Facility J. Henry Schroder Wagg & Co. Ltd.	2/11/78
Oct. 78	COMPANHIA ESTADUAL DE ENERGIA ELECTRICA US$130,000,000 Project Loan Credit Commercial de France and others	2/11/78
Sept. 78	INDUSTRIE ZANUSSI SPA Lire 13,500,000,000 Floating rate medium term loan Compagnia Privata di Finanza e Investimenti S.p.A. and others	2/11/78
Sept. 78	I/S ELSAM US$25,000,000 9¾% loan due 1990 The Mitsui Bank Ltd. and others	3/11/78
Sept. 78	JUGOBANKA UNITED BANK US$20,000,000 Medium Term Loan Facility The Mitsui Bank Ltd.	3/11/78
12/10/78	NATIONAL PETROLEUM CONSTRUCTION CO. (N.P.C.C.) US$20,000,000 Medium Term Loan Facility National Bank of Abu Dhabi	3/11/78
	STENA GROUP OF COMPANIES £29,735,000 Medium Term Finance Nordic Bank Ltd	3/11/78
Oct. 78	HELITUB, COMPANIA ANONIMA US$13,782,277 Total of 7 year loans Samuel Montagu & Co. Ltd.	3/11/78
24/10/78	NOSRK HYDRO PRODUKSJON A.S. US$120,000,000 Eurodollar Loan Citibank N.A. and others	7/11/78 8/11/78
2/8/78	SOCIETE NATIONALE DE FABRICATION ET DE MONTAGU DU MATRIEL ELECTRIGUE ET ELECTRONIQUE US$45,000,000 Medium Term Loan Citicorp International Group	7/11/78 8/11/78
Oct. 78	PROVINCE DE QUEBEC US$100,000,000 Term Loan The Mitsubishi Bank Ltd.	8/11/78
Oct. 78	SHV HOLDINGS NV US$75,000,000 8 year Multicurrency Loan Facility AMRO Bank	9/11/78
Sept. 78	STATE OF MINAS GERAIS US$60,000,000 Term Loan Bank of Montreal and others	10/11/78
Oct. 78	TORRAS HOSTENCH S.A. US$11,000,000 Floating Rate Term Loan Banca Mas Sarada S.A. and AMRO Bank	10/11/78
Nov. 78	LIGHT-SERVICOS DE ELECTRICIDADE S.A. US$150,000,000 Medium Term Loan Westdeutsche Landesbank Girozentrale and others	13/11/78
Oct. 78	SOCIETE NATIONALE DES MATERIAUX DE CONSTRUCTION US$25,000,000 Loan facility Al-UBAF Group and others	13/11/78
	BANK HANDLOWY W WARSZAWIE S.A. US$220,000,000 Medium Term Loan US$70,000,000 Medium Term Eurodollar Loan Barclays Bank Int. Ltd. and others	14/11/78
9/11/78	THE REPUBLIC OF LIBERIA US$60,000,000 Medium Term Loan Chase Merchant Banking Group	14/11/78
9/11/78	HIDROELECTRICA DE CATALUNA S.A. US$50,000,000 Medium Term Credit Facility Chase Merchant Banking Group	14/11/78
2/11/78	TELECOMUNICACOES BRASILEIRAS S.A. TELEBRAS US$225,000,000 Medium Term Credit Facility Chase Merchant Banking Group and others	14/11/78
20/10/78	DEVELOPMENT AND INVESTMENT BANK OF IRAN US$60,000,000 Medium Term Credit Facility Chase Merchant Banking Group and others	14/11/78
	DALGETY LIMITED US$125,000,000 10 year loan facility Lazard Brothers & Co. Ltd. and others	14/11/78
	OCEANIC US$12,500,000 6¼ year term secured loan Marine Midland Bank and others	15/11/78
Nov. 78	HUNTER DOUGLAS INT. N.V. US$10,000,000 Ten Year Credit Facility Orion Bank Limited	15/11/78
	PROPERTY SECURITY INV. TST. LTD. £4,000,000 Five Year Loan Facility Brown, Shipley & Co. Ltd.	15/11/78
	AUKRA BRUK A/S US$12,000,000 Ship Construction Finance Ole Schroder & Co. A/S	16/11/78
Oct. 78	CITY OF GOTHENBURG Flux 250,000,000 Term Loan Banque Nordeurope S.A. and others	16/11/78
Nov. 78	BANCO NACIONALDE CREDITO CO-OPERATIVO S.A. US$50,000,000 Term Loan Centrale Rabobank and others	17/11/78
	FAELLESBANKEN DM 16,000,000 Medium Term Loan Westdeutsche Landesbank Girozentrale and others	17/11/78
Sept. 78	LJUBLJANSKA BANKA —SDREZENA BANKA, LJUBLJANA VOJVODJANSKA BANKA —UDRUZENA BANKA, NOVI SAD US$70,000,000 Medium Term Loan Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.) and others	21/11/78
Oct. 78	REPUBLIC OF THE IVORY COAST US$18,000,000 Project Facility Soditic S.A. and others	21/11/78
Sept. 78	BANCO CREFISUL DE INVESTIMENTO S.A. US$20,000,000 Medium Term Loan Societe Generale de Banque S.A.	23/11/78
Nov. 78	UDRUZENA BEOGRADSKA BANKA BEOGRAD INVESTICONA BANKA TITOGRAD UDRUZENA BANKA US$10,300,000 Medium Term Loan Japan Int. Bank Ltd. and The Hokkaido Takushoku Bank Ltd.	23/11/78
Sept. 78	SAUDI RESEARCH & DEVELOPMENT CORPORATION LTD. CONSTRUCTION & DEVELOPMENT CORPORATION OF THE PHILIPPINES Saudi Riyals 192,196,165 Syndicated Guarantee Facility The National Commercial Bank	23/11/78
Oct. 78	HOUSEHOLD FINANCE $150,000,000 9% debs. series 5F due 1985 Goldman, Sachs & Co. and others	1/11/78
30/10/78	SOUTHERN CALIFORNIA EDISON CO. 6,000,000 Shares Common Stock Dean iWtter Reynolds Inc. and others	2/11/78
28/9/78	SOCIETE DES MAISONS PHENIX 473,200 Shares Common Stock American Express Int. Banking Corp. and others	14/11/78
	INSTITUTO PER LA RICOSTUZIONE INDUSTRIALE US$500,000,000 Medium Term Loan Algemene Bank Nederland N.V. and others	24/11/78
Oct. 78	STATE OF ESPIRITO SANTO US$30,000,000 Medium Term Loan Badische Kommunale Landesbank International S.A. and others	24/11/78
Sept. 78	EMPRESA NACIONAL DE ELECTRICIDAD S.A. US$26,000,000 10 year Floating Rate Loan Banque Bruxelles Lambert S.A. and Banque Louis-Dreyfus	27/11/78
Oct. 78	LONDON BOROUGH OF HOUNSLOW £9,000,000 Medium Term Loan Kleinwort, Benson Ltd.	28/11/78
Oct. 78	UDRUZENA BEOGRADSKA BANKA US$12,000,000 Medium Term Loan The Sanwa Bank Ltd.	28/11/78
Sept. 78	EMPRESA NACIONAL DE ELECTRICIDAD S.A. MADRID US$15,000,000 Medium Term Trade Financing Facility The Yasuda Trust and Banking Co. Ltd. Tokyo	28/11/78
Nov. 78	C.A. LA ELECTRICIDAD DE CARACAS $50,000,000 Medium Term Euro-Dollar Loan Morgan Guaranty Trust Company of New York	28/11/78
Nov. 78	TRICENTROL THISTLE DEVELOPMENT LTD. £60,000,000 Project Refinancing N.M. Rothschild & Sons Ltd. and Barclays Merchant Bank Ltd.	28/11/78
Sept. 78	ARDAL OG SUNNDAL VERK A.S. Dfls. 25,000,000 10 year fixed rate loan Bank Mees & Hope N.V.	29/11/78
	AHLI PROTOCHEMICAL ESTABLISHMENT DUBAI US$8,500,000 Medium Term Loan Bankers Trust Co. and others	29/11/78

OTHERS

Tombstone date		Publication date
Oct. 78	HOUSEHOLD FINANCE CORPORATION $150,000,000 9% debs. series 5F due 1985 Goldman, Sachs & Co. and others	1/11/78
30/10/78	SOUTHERN CALIFORNIA EDISON CO. 6,000,000 Shares Common Stock Dean Witter Reynolds Inc. and others	2/11/78
28/9/78	SOCIETE DES MAISONS PHENIX 473,200 shares Common Stock American Express Int. Banking Corp. and others	14/11/78

EXPLANATORY NOTES AND ABBREVIATIONS

SPECIAL REFERENCES

1. GENERAL—ATTACHED TO NAME OF BORROWER

D = Domestic Management group
L = *Bondholders option to redeem loan prior to maturity*
P = Private or semi-private placement
MC = Principal/Interest payable in more than two currencies
W = Withholding tax (with percentage rate %)
WW = *With warrants*
XW = Ex warrants.

2. £/DM ISSUES

The figures shown are the fixed £/DM parities which prevail over the lives of the issues.

3. FLOATING RATE ISSUES

The figures given are the minimum coupon rate: % margin above LIBOR.

4. ATTACHED TO MATURITY DESCRIPTION

S = Semi-annual payments

5. ATTACHED TO NEXT S/F AMOUNT

PF = Purchase fund—the amount shown is the annual total (or total to the next coupon date), which may be applied. The year associated with the amount shown relates to *the year end of the purchase period.*
DP = Non-cumulative option to double sinking fund payments.

6. ATTACHED TO CALL NOTICE (DAYS)

C = Callable only on coupon dates.
Y = Callable only at annual intervals. Otherwise callable at any time.

7. YIELD TO NEXT CALL

0 = Yield is negative.

8. ATTACHED TO YIELD TO NEXT CALL (CONVERTIBLE ISSUES ONLY)

R = Call is subject to a restriction governed by a fixed relationship between the share price and the conversion price.

9. CONVERTIBLE ISSUES

The share price is always denominated in the same currency as the conversion price. Please note that where the premium exceeds 200% no figure is shown in the premium/discount column.

The following convertible bonds are subject to convertibility into the indicated stocks.

NAME OF BOND			CONVERTIBLE INTO
American Tobacco Int.	5¼	1988	American Brands Inc.
Asia Navigation Int.	6¼	1989	East Asia Navigation Co.
Bankers Int. (Lux.)	5	1986	Bankers Trust New York
Broadway—Hale Stores	4¾	1987	Carter Hawley Hale
Burmah Oil	5¾	*1988*	*Shell Transport & Trading*
Chevron Oil O/S	5	1988	Standard Oil of California
Dart Industries	4¾	1987	Minnesota Mining & Manufacturing
Inter-Continental Hotels	7	1986	Pan-Am World Airway
Int. Standard Elec.	5	1989	*International Tel & Tel*
" " "	5¼	1988	" " "
" " "	6¼	1989	" " "
ISA Finance Holdings	4½	1986	" " "
Kinney	6¾	1990	Warner Communications
Leasco World Trade	5	1988	Reliance Group Inc.
Leasco Int.	5	1989	" " "
Levin-Townsend Int. Fin.	5	1988	Rockwood Computer
Norwich OS	4¾	1983	Morton-Norwich Products
Owens-Illinois	4½	1987	Owens Corning Fibreglass
Plywood Champion Int.	5½	1983	Champion Int.

The following international convertible issues have fixed rates of currency conversion:

COUNTRY	ISSUE/COUPON/MATURITY			EXCHANGE RATE	
FRANCE	Michelin Int. Dev.	6	1985	F.Fr 5.554	=$1
	Suez et l'Union Paris	7	1985	F.Fr 5.554	=$1
HONG KONG	*Asia Navigation Int.*	6½	1989	$HK 5.07	=$1
ISRAEL	Leumi Int. Inv.	7	1984	I£ 10.1026	=$1
JAPAN	Asahi Chemical	6¼	1990	Yen 303.0	=$1
	Asahi Optical	6	1992	Yen 282.0	=$1
	Dai Nippon Printing	6¾	1986	Yen 360.0	=$1
	Daiei Inc.	6	1991	Yen 300.0	=$1
	Daiwa House Ind.	7½	1991	Yen 301.0	=$1
	Hitachi Ltd.	6¼	1979	Yen 360.0	=$1

COUNTRY	ISSUE/COUPON/MATURITY			EXCHANGE RATE	
	Hitachi Ltd.	6½	1984	Yen 360.0	=$1
	Hokushin Electric	6¾	1992	Yen 248.0	=$1
	Ito-Yokado	6	1992	Yen 272.0	=$1
	Jusco	6	1992	Yen 277.4	=$1
	Kao Soap	6	1992	Yen 266.0	=$1
	Komatsu Manf.	6¼	1984	Yen 360.0	=$1
	Komatsu Ltd.	7½	1990	Yen 294.2	=$1
	Kubota	6¾	1991	Yen 303.0	=$1
	Marui	6½	1991	Yen 299.0	=$1
	Matsushita Elec.	6¾	1990	*Yen 303.0*	=$1
	Mitsubishi Elec.	7	1985	Yen 360.0	=$1
	Mitsubishi Elec.	7½	1981	Yen 305.5	=$1
	Mitsubishi Gas Chem	6	1992	Yen 272.0	=$1
	Mitsubishi Hvy. In.	6½	1991	Yen 305.55	=$1
	Mitsubishi Corp.	6	*1992*	*Yen 267.0*	=$1
	Mitsubishi Corp.	7¼	1990	Yen 294.0	=$1
	Mitsubishi Corp.	6¾	1991	Yen 301.0	=$1
	Mitsui & Co.	7½	1990	Yen 298.0	=$1
	Mitsui & Co.	8½	1989	Yen 299.0	=$1
	Mitsui Real Estate	6	1992	Yen 267.8	=$1
	Nitto Elec. Ind.	6	1992	Yen 264.13	=$1
	Pioneer Electric	6½	1989	Yen 280.0	=$1
	Ricoh	6¼	1991	Yen 295.0	=$1
	Sanyo Electric	6½	1991	Yen 293.55	=$1
	Sanyo Electric	7½	1990	Yen 302.17	=$1
	Settsu Paperboard	6¾	1992	Yen 243.0	=$1
	Sumitomo Elec.	6	1992	Yen 267.0	=$1
	Sumitomo Metal	6	1992	Yen 287.5	=$1
	Takeda Chemical	6	1984	Yen 360.0	=$1
	Tokyu Dept. Store	6	1992	Yen 266.0	=$1
	Toshiba	6½	1992	Yen 254.0	=$1
	Toshiba	6¾	1990	Yen 295.8	=$1
	Ennia		1992	D.Fl 2.4565	=$1
NETHERLANDS	*All other issues*	7½	*1991*	*S$ 2.44*	=$1
SINGAPORE	Dev. Bk. of Singapore	6½	1988	S$ 2.32	=$1
	United Overseas Bank	6½	1988	S$ 2.32	=$1
S. AFRICA	Rand Selection Corp.	6½	1986	RD 0.7143	=$1
SWEDEN	Sandvik	6½	1988	SwKr 4.7825	=$1
U.K.	Babcock Nederland	7	1992	£0.574	=$1
	Beecham Fin.	6¾	1992	£0.574	=$1
	Burmah Oil	5½	1988	£0.417	=$1
	Burton B.V.	5¾	1992	F.Fr 11.8825	=$1
	CompAir (U.K.)	8¼	*1987*	*£0.582*	=$1
	ICI Int. Fin.	6¾	1997	£	=$1
	Inchcape (Bermuda)	6¾	1992	£0.582	=$1
	Rank Organisation	4½	1993	£0.425	=$1
	Slater Walker	5½	1987	£0.385	=$1

Union Bank of Switzerland (Lux.) 5% 1981 differs from other convertibles in that the bonds are denominated US$1350 and each bond is convertible into 1 Bearer share of S.Frs. 500 nominal value of UBS.

Credit Suisse (Bahamas) 4¼% 1991 differs from other convertibles in that the bond is denominated US$1000 and each bond is convertible into 1 Bearer Share of S.Fr. 500 nominal value of Credit Suisse.

The following convertible issues have conversion *rights which expire prior to maturity:*

NAME OF BOND		MATURITY	CONVERSION RIGHTS EXPIRE
Asahi Chemical	6½	30/9/1990	15/9/1990
Dai Nippon Ptg.	6¾	31/5/1986	30/4/1986
Hitachi	6¼	30/9/1984	31/8/1984
Mitsubishi El	7	31/3/1985	28/2/1985
Rand Selection	6½	*1/3/1986*	*31/1/1986*
Takeda Chem.	6	31/3/1984	28/2/1984
Toshiba	6¾	30/9/1990	15/9/1990

10. DENOMINATION OF NON-DOLLAR BONDS

Euro-guilders—all denominated	Fl. *10,000*
French Francs—all denominated	Ffr. 5,000
with the exception of	
Aerospatiale	Ffr. 10,000
European Coal & Steel 7% 1980	Ffr. 10,000
European Coal & Steel 7¼% 1991	Ffr. 10,000
Francaise de Petroles—BP	Ffr. 10,000
Philips Lamps 10¼% 1980	Ffr. 50,000
Roussel—Uclaf	Ffr. 10,000
SOPAD	Ffr. 50,000

STERLING-DEUTSCHE MARKS

Enso Gutzeit 6½% 1980	£100: £500
ICI 8% 1986	£500
Ireland 7% 1981	£100: £500
Ireland 7% 1988	£500
Met. Estates 6¾% 1987	£500
New Zealand 6¾% 1982	£90: £450
New Zealand 7¼% 1978	£100: £500
Rothmans Int. 6½% 1992	£500
Sira Kvina 7¼% 1983	£100: £500
Slater Walker 7½% 1987	£500
Swedish Lamco 5¾% 1980	£100: £500
Turin 6¼% 1984	£100: £500
US Rubber 6% 1989	*£100: £500*

11. YIELD CALCULATIONS

All Yields are calculated on annual rates e.g. a 10% bond standing at par paying interest once p.a. will have a current and maturity yield of 10%. A 10% bond paying semi-annually would yield 10.25%. Market practice demands that the current yield on $ floating rate bonds is calculated as coupon/price.

12. OTHER NOTES

The amounts shown as remaining outstanding are estimated by applying the scheduled sinking fund instalments. These are further adjusted where a non-cumulative option to double sinking fund *payments has been exercised.*

Yields are calculated in accordance with Rule 803 of Statutes By-Laws, Rules and Recommendations of the AIBD using compound interest throughout. Negative yields are not shown.

The *maturity, average life and first call yields* are adjusted to a 360 day annual rate.

Yields to next call are shown on the basis that the borrower gives notice that he wishes to call the bond as soon as possible after the date of publication of this list.

Yields on Unit of Account bonds are computed by adjusting the investment proceeds for the changes in relative parities of the currencies comprising the new and old unit of account formulae.

ASSOCIATION OF INTERNATIONAL BOND DEALERS — MARKET MAKERS

BANKERS TRUST INTERNATIONAL LIMITED

Market Makers in Floating Rate Note Issues

The interest rates per annum applicable to the following US$ Floating Rate Note issues were announced during November. These rates are quoted for information purposes only, and should be confirmed prior to the execution of a specific transaction. The rates quoted apply to the six-month periods shown.

		From	To	Rate
I.B.J. 6¼% Min	1982	1 Nov. 78	1 May 79	11 13/16
Bqe. Ext. d'Algerie	1985	2 Nov. 78	1 May 79	12¼
C.C.F. 5¼% Nil	1985	3 Nov. 78	3 May 79	12¼
U.O.B.	1983	6 Nov. 78	7 May 79	12 7/16
Royal Bk. Scotland	1983	9 Nov. 78	9 May 79	12¼
L.T.C.B.	1985	9 Nov. 78	9 May 79	12 1/16
Vizcaya Int'l	1981	12 Nov. 78	14 May 79	12 3/16
Bk. of Tokyo (Curacao)	1984	15 Nov. 78	15 May 79	12 3/16
Midland Bank	1982	15 Nov. 78	15 May 79	12⅛
Societe Generale	1981	15 Nov. 78	15 May 79	12¼
Gotabanken	1988	15 Nov. 78	15 May 79	12 5/16
O.K.B.	1982	17 Nov. 78	17 May 79	12⅜
Creditanstalt	1984	20 Nov. 78	21 May 79	12¼
Midland Int'l Fin.	1987	20 Nov. 78	21 May 79	12¼
Bank of Tokyo Ltd.	1980	22 Nov. 78	22 May 79	11 13/16
C.G.M.F.	1984	25 Nov. 78	25 May 79	12¼
Bank Handlowy	1983/88	27 Nov. 78	27 May 79	12 13/16
U.O.B.	1981	27 Nov. 78	27 May 79	12¼
Enel	1980	30 Nov. 78	31 May 79	12⅜
Gabinete	1982	30 Nov. 78	31 May 79	13 1/16
Lloyds Eurofinance	1983	30 Nov. 78	31 May 78	12 1/16
Popular Espanol	1981	30 Nov. 78	31 May 79	12 1/16
Standard Chartered	1984	30 Nov. 78	31 May 79	12 7/16

Interest rates applicable to the issues listed below will be announced during December:

Indus. Bank of Japan Finance	1985
Bayerische Vereinsbank	1981
Andelsbanken	1984
U.B.A.F.	1981
S.O.F.T.E.	1984
U.B.A.F. 7¼% Min	1982
Parisbas	1980
Bank Handlowy	1981
Banque Worms	1985
C.N.C.A.	1984
D.G. Bank Finance	1982
L.T.C.B.	1981
Creditanstalt Bankverein	1981
National Westminster	1990
Urquijo International	1981
C.C.F.	1981
Hydrocarbons Bank	1982
Credit Lyonnais 6¼% Min	1983

BTI

BANKERS TRUST INTERNATIONAL LIMITED
56-60 New Broad Street, London EC2.
Dealers' Telephone: 588 6301-5. Telex: 883042.

REGION 1 - BELGIUM

105 Bondtrade
110 Dewaay, Sebille, Servais Van Campenhout & Cie
115 Kredietbank N.V.

REGION 2 - FRANCE

230 Banque Arabe et Internationale d'Investissement (B.A.I.I.)
235 Banque de l'Union Européenne
225 Banque Louis-Dreyfus
205 Banque Nationale de Paris
210 Credit Commercial de France Paris
215 Credit Lyonnais
218 E. F. Hutton Services S.A.R.L.
220 Interunion-Banque
270 Smith Barney Harris, Upham & Co. Inc.

REGION 3 - GERMANY/AUSTRIA

300 Commerzbank AG
305 Deutsche Bank AG
306 Dresdner Bank AG
307 Westdeutsche Landesbank Girozentrale
309 Creditanstalt Bankverein
310 Gironzentrale und Bank der österreichischen Sparkassen AG

REGION 4 - ITALY

405 Banca Commerciale Italiana Milan
407 Banco Ambrosiano S.p.A.
409 Banco di Roma
415 Credito Italiano
420 Istituto Bancario Italiano
425 Istituto Bancario San Paolo di Torino
430 *Monte dei Paschi di Siena*

REGION 5 - LUXEMBOURG

505 Banque Générale du Luxembourg S.A.
510 Banque Internationale à Luxembourg S.A.
540 Bayerische Landesbank International S.A.
515 Dewaay Luxembourg S.A.
520 Kredietbank S.A. Luxembourgeoise
530 Swiss Bank Corporation (Luxembourg)

REGION 6 - NETHERLANDS

600 H. Albert de Bary & Co. N.V.
601 Algemene Bank Nederland N.V.
602 Amsterdam-Rotterdam Bank N.V.
603 Bank Mees & Hope N.V.
604 Barclays Kol & Co. N.V.
611 Centrale Rabobank Utrecht
612 Van der Hoop, Offers & Zoon N.V.
605 Bank Morgan Labouchere N.V.
610 F. van Lanschot
606 Nederlandsche Middenstandsbank N.V.
607 Nederlandse Credietbank N.V.
608 Pierson, Heldring & Pierson
609 Slavenburg, Oyens & Van Eeghen N.V.

REGION 7 - SCANDINAVIA

705 Bank of Helsinki Ltd. (Helsingfors Aktiebank)
740 Den norske Creditbank
750 Den Danske Bank of 1871 Aktieselskab
710 R. Henriques jr. Bank-Aktieselskab
715 Kansallis-Osake-Pankki
720 Kjögenhavns Handelsbank
745 Postipankki
730 Privatbanken Aktieselskab
735 Skandinaviska Enskilda Banken
725 Union Bank of Finland (Nordiska Föreningsbanken AB)

REGION 8 - SWITZERLAND

800 Bondpartners S.A.
805 Credit Suisse/Swiss Credit Bank
860 Swiss Bank Corporation
870 Union Bank of Switzerland

REGION 9 - UNITED KINGDOM

901 Akroyd & Smithers Limited
903 Bank Julius Baer International
905 Bankers Trust International Limited
910 Banque Francaise de Credit International Ltd.
909 Chase Manhattan Ltd.
911 Citicorp International Bank Limited
912 Continental Illinois Limited
914 Credit Suisse First Boston Ltd.
913 Daiwa Europe N.V.
915 Deltec Trading Company Limited
920 Dillon, Read Overseas Corporation
922 Dominion Securities Limited
925 European Banking Company Ltd.
930 First Chicago Limited
931 *Goldman Sachs International Corp.*
932 Hambros Bank Limited
933 IBJ International Limited
934 Hill Samuel & Co. Ltd.
935 Kidder Peabody Securities Limited
938 Loeb, Rhoades,
939 Kuhn Loeb Lehman Brothers Inc.
936 *Manufacturers Hanover Limited*
937 McLeod, Young, Weir International Limited
940 Merrill Lynch, Pierce, Fenner & Smith (Brokers & Dealers) Ltd.
941 *Morgan Stanley International*
945 Nesbit, Thomson Limited
942 The Nikko Securities Co. (Europe) Ltd.
943 Nomura Europe N.V.
946 Orion Bank Limited
947 Salomon Brothers International Ltd.
950 *Samuel Montagu & Co. Ltd.*
955 Scandinavian Bank Limited
960 Strauss, Turnbull & Co.
962 Sumitomo Finance International
964 Vickers, da Costa & Co. Ltd.
965 S. W. Warburg & Co. Ltd.
967 Wedd Durlacher Mordaunt Ltd.
970 Westdeutsche Landesbank Girozentrale
975 White Weld Securities
977 M. S. Wein & Co. Inc.
980 Wood Gundy Ltd.
990 *Yamaichi International (Europe) Ltd.*

REGION 10 - UNITED STATES

10 Arnhold and S. Bleichroeder, Inc.
60 Salomon Brothers
80 Atlantic Capital Corporation
005 The Arab Co. for Trading Securities S.A.K.

This announcement appears as a matter of record only.

Udruzena Beogradska Banka
and
Vojvodjanska Banka-Udruzena Banka

$21,000,000
Nine Year Loan

Managed by

Loeb Rhoades, Hornblower International Limited
Bank of Montreal — The Bank of Yokohama, Ltd.
Forfaitierung und Finanz A.G. — Girard Bank
Irving Trust Company
The Yasuda Trust & Banking Company Limited

Provided by

Bank of Montreal — The Bank of Yokohama, Ltd.
Banque Commerciale pour l'Europe du Nord (Eurobank)
Forfaitierung und Finanz A.G. — Girard Bank
Irving Trust Company
The Yasuda Trust & Banking Company Limited

Agent

Bank of Montreal

December 1978

The West LB Euro Deutschmark Bond Quotations and Yields will be published in the Financial Times on Friday 15th December 1978.

All of these Securities have been sold. This announcement appears as a matter of record only.

$250,000,000

General Motors Acceptance Corporation

9% Notes Due June 1, 1984

Interest payable June 1 and December 1

MORGAN STANLEY & CO. Incorporated

DILLON, READ & CO. INC. — *THE FIRST BOSTON CORPORATION*
GOLDMAN, SACHS & CO. — *LEHMAN BROTHERS KUHN LOEB* Incorporated
MERRILL LYNCH WHITE WELD CAPITAL MARKETS GROUP Merrill Lynch, Pierce, Fenner & Smith Incorporated — *SALOMON BROTHERS*
BACHE HALSEY STUART SHIELDS Incorporated — *BLYTH EASTMAN DILLON & CO.* Incorporated
DREXEL BURNHAM LAMBERT Incorporated — *E. F. HUTTON & COMPANY INC.*
KIDDER, PEABODY & CO. Incorporated — *LAZARD FRERES & CO.*
LOEB RHOADES, HORNBLOWER & CO. — *PAINE, WEBBER, JACKSON & CURTIS* Incorporated
SMITH BARNEY, HARRIS UPHAM & CO. Incorporated — *WARBURG PARIBAS BECKER* Incorporated
WERTHEIM & CO., INC. — *DEAN WITTER REYNOLDS INC.* — *BEAR, STEARNS & CO.*

December 6, 1978

Creditanstalt – your partner in Austria for dealing in Austrian Schilling Bonds and International Bonds of Austrian issuers

Selected Austrian Schilling Bonds of Austrian issuers	Middle price	Average life	Yield to average life	Current yield	Redemption (mandatory drawings by lot)
maturity up to 5 years					
8 % Österreich 1973/B/81	101,—	1,20	7,88	7,92	15. 2.77-81 at 101,0
8 % Österreich 1973/III/B/82	102,—	1,96	7,99	7,84	20.11.74-82 at 102,0 to 102,5
8 1/2% Österreich 1975/S/83	102,—	2,25	7,87	8,33	5. 3.76-83 at 100,0 to 101,0
8 1/2% Innsbruck 1974/B/82	101,75	1,96	7,87	8,35	19.11.75-82 at 100,5
8 1/2% Steyr-Daimler-Puch 1974/B/81	101,50	1,90	7,85	8,37	29.10.75-81 at 100,5
7 3/4% VÖEST-Alpine 1973/B/82	102,25	2,08	7,89	7,58	4. 7.77-82 at 102,0 to 103,0
maturity over 5 years					
8 1/2% Österreich 1975/S/III/85	104,50	3,98	7,89	8,13	27.11.79-85 at 103,0 to 103,5
8 % Österreich 1976/II/B/86	100,25	6,38	7,94	7,98	21.10.83-86 at 100,0
8 % Österreich 1977/S/B/87	100,25	5,70	7,94	7,98	15. 2.82-87 at 100,0
8 % Arlberg Straßentunnel 1977/B/85	100,50	4,15	7,83	7,96	29. 7.80-85 at 100,0
8 1/2% Wien 1974/B/84	101,50	3,08	7,88	8,37	2. 7.75-84 at 100,0
8 % CA-BV 1976/II/A/91	100,50	6,84	7,89	7,98	7.10.77-91 at 100,0
8 1/2% Energie 1975/II/B+S/85	104,50	3,90	7,90	8,13	29.10.79-85 at 103,5
8 % Energie 1978/B/87	100,10	6,24	7,97	7,99	1. 3.83-87 at 100,0
8 % Semperit 1973/88	102,25	4,82	7,95	7,82	30. 3.74-88 at 103,0

Selected US-$ Bonds of Austrian issuers

5 3/4% Alpine Montan 65/85
6 5/8% Austrian Electricity 66/86
6 3/4% Austrian Electricity 67/82
6 % Rep. of Austria 64/84
6 3/4% Rep. of Austria 67/82
8 3/4% Rep. of Austria 76/90
8 1/4% Tauernautobahn 77/87
9 1/2% Österreichische Kontrollbank 74/79 in Austrian Schilling (traded in US-$ only)

Interest is payable without deduction for or on account of Austrian taxes.
For current prices and further information please contact:
For Austrian Schilling Bonds: Robert Jekl, Robert Wasinger (Telephone: 6622/1701 or 1707, Telex: 74261-63)
For International Bonds: Walter Vogl (Telephone: 6622/2222, Telex: 76949)
Code for Reuter Monitor Securities Program: CADA, CADB

Creditanstalt
Creditanstalt-Bankverein, Schottengasse 6, A-1010 Vienna.

First Chicago Limited

Bond Dealers telephone number change

First Chicago Limited announces that its Bond Dealers telephone number will be changed on 11th December, 1978 to:–

01-283 7031/4

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & Yields as at 30th Nov., 1978

SOCIETE GENERALE De BANQUE
BANQUE GENERALE Du LUXEMBOURG

Fund	Price	First Issue Price	Yield %	Div. Date
Rentinvest	LuxFr 824	LuxFr 1000	8.18	20 Nov. (F67)
Capital Rentinvest	LuxFr 1376	LuxFr 1000	(Capitalisation)	

	1977/78 High	1977/78 Low	1975/78 High	1975/78 Low
Rentinvest	LuxFr 918	LuxFr 814	LuxFr 918	LuxFr 814
Capital Rentinvest	LuxFr 1423	LuxFr 1286	LuxFr 1423	LuxFr 1061

THE SHORTAGE OF SKILLED LABOUR

BY RHYS DAVID, Northern Correspondent

A case study of famine amid plenty

THE PARADOX of a labour famine amidst plenty is nowhere better illustrated in the British economy at present than in the shortages of skilled workers recently reported in the North West. Altogether some 200,000 people are available for work in the region including 100,000 on the unemployment registers of Merseyside alone. Yet in spite of this, nearly half the companies covered in a survey by the regional CBI claimed output was being hindered by shortages of the right personnel.

A sample of 254 companies turned up now fewer than 3,000 job vacancies: some in key management and engineering areas, but including some for clerks, secretaries and telephonists. With the sample covering only a small proportion of industry in the North West the implication must be that many thousands more jobs are available in the area—and no doubt throughout Britain—if people with the right skills for them could be found. Furthermore every skilled job that is filled is likely to produce a spin-off in less skilled ancillary work.

The problem is not confined to any particular type, or size, of company in any special part part of the North West. The nationalised British Aerospace Corporation, which has a long order book for defence equipment at its Preston and Warton factories in North Lancashire, needs 90 electricians and the same number of fitters, plus 150 engineering craftsmen of various types. At Crewe in Cheshire, Rolls-Royce Motors needs 100 men. It has a major expansion of its facilities under way to meet world wide demand for its cars and precision engineering components. Its main shortages are in the coachbuilding and coach trim trades. Cooper (Merseyside) is not atypical of many of the smaller firms in the area. It employs under 100 people, making parts for the aviation industry. It could absorb a further 25-30 men, particularly machinists if it could find them.

On a much larger scale, British Nuclear Fuels needs 350 electrical, electronic and chemical engineers to support the major expansion of its nuclear re-processing activities now under way at Windscale. Ferranti has a number of plants spread throughout the region and it needs 35 computer programmers and 42 electronic engineers.

In demand

At Burmah-Castrol, which runs a specialist oil refinery at Ellesmere Port in Cheshire, there have been shortages this year in draughtsmen one of the skills most in demand.

Union estimates put the shortage of draughtsmen in the area at several thousand and at British Aerospace special three-month courses have been organised to upgrade craftsmen engineers to draughtsmen.

The problem clearly has many strands, but much of the difficulty, according to these companies, can be traced back to the wage rate for the job. Successive attempts to control pay by Governments of both parties over the past 20-30 years have led to a serious compression of differentials. In spite of their training and evident value to industry, many craftsmen are earning perhaps only £5 a week more on basic rates than general workers. What makes the rub even worse for them is that after payments for shift work have been added, the general worker may well be taking home more than craftsmen, many of whom do not have to work shifts.

As a result craftsmen have become much more willing to move from job to job, usually within the locality, to boost their incomes "Skilled men are no longer prepared to stay with the company with which they trained but will perhaps move down the road for a matter of only £2 a week more," one employer in the region points out. Furthermore, workers may sometimes rejoin their former employer if they see an opportunity to increase their wages further at a later stage.

Rolls-Royce Motors is a case in point. The company has the two major lorry manufacturers, ERF and Foden, as near neighbours in North Cheshire, both of which struck new wage deals with their employees last spring. The result was some drifting of skilled coachbuilders away from Rolls-Royce to the lorry makers, which have a need for similar skills. The company claims it is only now able to hold its own again following a recent wage settlement which gives its employees a 19 per cent increase—a 5 per cent basic rise plus 14 per cent in productivity payments.

The difficulty which employers often face in rewarding their skilled employees has another effect, too, as Mr. Reg Mercado, managing director of Cooper (Merseyside) points out. Himself a former toolmaker, he says skilled men, particularly in industries such as aerospace, can sometimes be handling components made of exotic materials and worth perhaps £20,000 or more. In such cases one mistake in machining can be very costly yet the responsibility is not recognised by pay differentials. Men consequently often prefer to take work which has less responsibilty attached, and yet is perhaps more highly paid.

But differentials, which most companies now believe will have to be widened, represent only one side of the problem. Faced with the problems of inflation and an international trade recession, industry has inevitably been searching for possible cuts in expenditure, and in many cases these have fallen on training. According to the Engineering Industry Training Board (EITB), some 19,000 new craftsmen and a smaller number of technicians are needed in engineering alone each year to replace the losses caused by retirement, promotion, and movement out of the industry, but over recent years, the industry's intake of apprentices has fluctuated with the economy.

The Board has sought to make up deficiencies in industry's intake by itself sponsoring apprentices, and has frequently warned employers of possible shortages when an upturn in activity occurred. The Board's activities are limited, however, by the finance available to it. Moreover, since 1973 it has been easier for companies to escape from the levy collected by the Board, and this has reduced the funds it has to support training.

School-leavers

Apprentice recruitment is not helped either by the poor estimation in which industry is now often held by school-leavers. Engineering companies in particular feel they are associated in schoolboys' minds with unpleasant working conditions and regular redundancies. Many abler young people also tend either to stay on at school or are anxious on leaving to go straight to a job immediately offering good wages rather than spend perhaps four years acquiring a trade on low wage rates.

It is a problem which could be overcome in part by increased training of older people after they have gained some experience at work, but here the nettle is the attitude of the unions. The Government's skill centres throughout the country play a part in helping both to equip individuals with increased skills and to provide industry with a new resource. In the older crafts, however, unions are often reluctant to accept dilutees—men with a shortened period of training rather than a full apprenticeship—alongside their own members. Thus, instead of being able to use the centres to fill key engineering vacancies, employers in some parts of the country frequently find they can only use the facilities as a means of equipping existing skilled employees with further skills or of acquiring workers with some of the less crucial skills.

"It is a fact of industrial life in the UK that the only way to get a craftsman is to train 16-year-old boys. We would love to take people in the 30s and 40s and have them trained, but it is just not on. For the unions the apprenticeship system is sacrosanct," claimed one major employer of craftsmen in the North West.

Thus in the search for skilled workers employers are fishing in the same limited and sometimes diminishing pond. In some cases where the local pool of labour has been exhausted, companies have had to offer generous re-settlement allowances in a bid to attract skilled men from further afield. ICI, for example has advertised in South Wales for instrument artificers to work at its Teesside complex, parts of which have had to be shut down this year because of labour shortages. British Aerospace has been seeking to recruit engineers in the North East for its Cheshire factories in the hope that the decline in the shipbuilding industry may have released a new source of skilled workers. The net effect of these moves, however, is merely to transfer skilled labour from one area to another

The problem is simple enough to state, but, finding a solution is much more difficult. The Manpower Services Commission in a review published last month pointed to the need to improve labour market intelligence and to promote a more integrated approach between its own operation and those of the training boards and further education.

Major changes in the Training Opportunities Scheme (TOPS) run by the MSC were announced last month. They are designed to ensure that its efforts are more closely related to the needs of employers and individuals and will help meet skill shortages. The training for skills programme launched by the MSC is also intended to prevent persistent shortages of skills from building up and to replace the stop-go attitude adopted by some employers towards training.

The MSC has also identified microprocessing as a major area where it will need to become involved. Many jobs will be lost but at the same time there will be an increased demand for people who can design, instal and maintain the new systems.

But although Government agencies are now taking an active role in trying to balance the labour market, many individual employers in the North West have themselves decided that an increase in their own training effort is required to meet needs.

Rolls-Royce Motors, which runs one of the most prized apprenticeships, has increased its intake to 80 this year and will be expanding the number further to 120 in 1979 following completion of a major new apprentice training centre. In 1980 the number will rise to 150. British Nuclear Fuels currently has some 740 apprentices compared with 420 in 1974-75 and is planning to increase numbers further next year.

The speed with which apprentice numbers can be increased is limited, however, by the number of craftsmen available to to undertake the traning. Craftsmen converted into instructors cease to be available for skilled work in the plant where they are most needed in the short term, Mr. Jo McCrickard, personnel director of BNF points out. Some employers now accept that they will have to train in excess of requirements to cater for losses of skilled men to other smaller employers who have perhaps stopped training.

Group schemes

Small companies unable on their own to justify the cost of expensive training facilities have also come together in a number of instances to start group schemes.

The East Manchester Group Engineering Training Association, formed in April this year, brings together three former joint training bodies in the towns of Ashton, Hyde and Openshaw, and covers some 80 companies with employment ranging from six people to 1,200. The association is currently training about 300 apprentices as well as providing other courses for the 10,000 people employed in member companies. Finance is provided by the EITB.

There has also been recognition by major computer users that further in-house training will be needed to deal with the chronic shortages in programming, and in repair and maintenance engineers.

The National Computing Centre itself runs a scheme for the MSC which trains unemployed school leavers, some of them lacking formal qualifications, in computer programming. Altogether 1,000 young people have been trained or are on courses at present.

Thus a number of moves are being made to deal with a problem—the shortage of skills—which is now widely recognised.

Skill shortages have a number of consequencies for industry both in the short and the longer term. In the first place apart from keeping unemployment at a higher level than it need be, there is the impact on the existing labour force. In order to cope many companies are obliged to ask their skilled workers to put in long hours of overtime. This in itself only serves to make skilled work less attractive, and it also adds to unit costs, reducing the competitiveness of goods produced.

A more serious long-term consequence is to slow down the expansion of faster-growing industries and thus to delay the process of industrial adaptation. This is a problem for the UK as a whole but particularly for poorer regions such as the North West. At present the North West is near the mid-point in Britain's unemployment league table—better off than Northern Ireland, Scotland, Wales and the North East but worse off than the South East, Midlands, the South West and Yorkshire.

The region's share of total UK unemployment, however, has increased over the past 10 years and its ratio of vacancies to unemployed is actually the worst in Britain. Average household income in the region is also low and there are some areas including Greater Manchester where there is a real problem of low wages. In part this reflects the continued importance of certain declining industries such as textiles and clothing, which still provide almost 20 per cent of total manufacturing employment in the region.

Letters to the Editor

Tomorrow's product

From the Technical Director, Standard Telephones and Cables

Sir,—The Prime Minister's announcement (December 7) to the National Economic Development Council of Government support for the application and development of microelectronics and the related report of the Central Policy Review Staff were as welcome for their open expression of the impact on employment patterns as for the aid itself. Open-minded but not uncritical acceptance of the need for change of skills and training at all levels is one essential aspect of the approach to any new technological development.

What was disappointing, however, in the published articles was the concentration on the impact of microelectronics on known and "useful" tasks. Part of the change of attitude required in embracing microelectronic technology is a more imaginative approach to the identification of applications which would currently be judged to be "useless." The pocket calculator is the classic example of a product which would have been classed as useless before it appeared on the market yet, in 1976, pocket calculators consumed 1,000 times as many logic elements (in micro-electronic form) as mainframe computers.

Tomorrow's equivalent of the pocket calculator will replace many of the jobs lost in traditional areas. Let us hope that the administrators of the funds now set aside will recognise the product when it arrives.

S. B. Marsh,
STC House,
190, Strand, WC2.

Trying to trade

From Mr. L. Clark

Sir,—I thoroughly agree with Mr. R. Cohn (November 30) on exchange control restrictions, as my company has similar problems. The concession to EC68 which resulted in ability to retain profits up to 12 months, was made because I could not accept the "logic" of EC68 para 7 dated November 19, 1976. With the help of our bank, I telephoned the responsible officials at the Bank of England to discuss the situation, as a result of which the concession was agreed in writing on November 9, 1977, for my company, and all others to which it applied.

The latest problem, however, to which I still have not found an answer relates to goods purchased in Chinese Renminbi Yuan (RMB Y) for sale outside UK. On November 7, 1978, I again telephoned the Bank of England, who agreed that Chinese RMB Y is a controlled currency, and that when we are invoiced in RMB Y for goods being sold abroad we could not conform to EC68 regulations and re-invoice in the same currency. It is not possible to operate a RMB Y merchanting account, the invoice from China to us has to be settled in sterling at current rate of exchange. I asked if we could invoice our buyers in sterling using the same rate of exchange, only to be informed we could invoice in any currency except sterling and RMB Y. Being a simple trader I asked how it suggested I quote prices, and how I would obtain the exchange rates necessary to conform to the requirements, needless to say there was no information on this point.

From the above it can be seen we are effectively barred from conducting what is only legitimate business. It is more than frustrating as over the past 10 years we have promoted a product which has made us the world leader in it and it is beginning to expand in a large way, and the present Bank of England policy can now only mean our losing this position to foreign traders who are too keen to take advantage of regulations stopping us from trading. After all we could only earn profits from it, but no doubt as private traders using our own finances, and not a nationalised concern this does not fit in with the "master plan."

Finally, I must fully agree with Mr. Cohn stating the main beneficiaries are the banks obtaining turns on interest rates, etc., on the merchanting accounts.

I have this week written to our bank pointing out the intolerable situation that if one does not have the currency in any merchanting account to finance a transaction, under current methods used by them of switching monies from current to side accounts to cover merchanting borrowings, the effective rate of interest becomes 20½ per cent. Can anyone be blamed for the setting up or the amalgamation with a company operating abroad where the earning of money is encouraged not made so difficult?

L. W. Clark,
B. W. Dawe and Co.,
Hillbeck House,
Roundwell,
Bearsted,
Maidstone, Kent.

Observing pay policy

From Mr. D. Moss

Sir,—The chart (December 6) showing the gross basic salaries of MPs in the EEC countries also reflects the state of the respective countries' economies.

Our MPs won't protest if philosophies applied to others are now applied to themselves.

Any increase they vote themselves should, presumably, be linked to: (a) a 5 per cent maximum; (b) a self-financing productivity scheme linked to demonstratable improvements in the country's economy; and (c) an attendance allowance.

If not, the British Public will, no doubt apply discretionary sanctions by firing them.

D. W. Moss.
Beechwood, Box Lane,
Bovingdon, Herts.

Buses versus rail

From the Contributing Editor, Modern Railways

Sir,—It might be a help if the debate on buses versus rail was conducted on a factual base. According to the Department of Energy's Advisory Council on Energy Conservation, an inter-city express passenger train uses almost exactly twice the energy per seat kilometre of an express coach. For suburban services the train to bus ratio is between 1.5 and 2, while a double-decker bus and an Underground train are about comparable.

One lesson to be drawn from these figures is that as the facilities provided by road and rail become closer, so does the energy consumption. To put numbers to this proposition, take the case of a high-speed train which uses 0.34 megajoules of energy per seat kilometre and an inter-city express coach which uses 0.20 megajoules. If one strips out the restaurant and buffet facilities plus toilets and first-class seating and fills the train with seats at motor-coach densities, its energy consumption would fall to 0.09 megajoules per seat kilometre while retaining the advantage of city-centre to city-centre journey times of 90-100 mph.

Mr. Dalgleish (December 7) would, it seems, have us save fuel by travelling both slowly and in spartan conditions. Once again, numbers may help. British Rail uses about 800,000 tons of fuel oil annually while road transport consumes about 23m tons. An electrified British Rail would save directly about 700,000 tons of oil—but how much more could then be saved by transfer of traffic from road to rail?

Roger Ford,
8, Russellcroft Road,
Welwyn Garden City, Herts.

Transport in London

From the Chairman, North London Line Committee.

Sir,—While London's Docklands have a strategic plan in which transport and land-use investment proposals have been considered jointly, the same co-ordination appears sadly lacking in the inner city partnership areas.

For example Dalston is a preferred office location in the Greater London development plan, and by north London line train is only five minutes from the City. The intervening district of Shoreditch and Haggerston is part of the Hackney/Islington partnership area, and Hackney Council states that this district urgently needs investment. The railway could offer much improved access if local stations were reopened.

Yet British Rail has proposed the closure of this direct route between Dalston and the City, without regard to these land-use factors. BR's alternative route, if built (and this is not certain), would double the journey time and fares to Dalston, and would miss Shoreditch and Haggerston. We must hope that Mr. Peter Shore, Environment Minister, will take fully into account the planning implications of BR's scheme.

The rest of the north London line is safe from closure. Revenue from off-peak tickets, for example, has more than doubled since 1975. BR, which in 1976 required GLC grant-aid for the regular 20 minute service, says that the line no longer needs this supplementary finance. There is scope for better marketing to attract further passenger traffic and revenue. And there is every reason to suppose that the line's extension via docklands to Woolwich will be just as successful.

Jonathan Roberts.
North London Line Committee,
17, Kent Avenue, W13.

Roll on the revolution

From Mr. A. Beard

Sir,—It is not only the militants who are to blame for high unemployment; even respectable, agreement-observing trade unionists have fallen into the error of encouraging their members to seek ever higher rewards for ever lower output until labour has effectively priced itself out of the market. Fifty years ago we had a heavy engineering industry equal to the best in the world. Today it simply does not exist. The same can be said of other labour intensive industries in our country.

It is very surprising that high unemployment, through labour pricing itself out of the market, has come about through the actions of the very people who should have been looking after the workers' interests: unfortunately they seem never to have taken a long-term view.

One thing that is absolutely certain is that if unemployment is to be reduced it will not come about through conferring ever greater freedoms on the workforce. The only way that it will, will be by management receiving some long overdue encouragement to improve productivity—the exact opposite of unions' teaching.

Businessmen who travel to the Eastern Bloc countries and see the way in which management is rewarded and helped by government departments and unions working for them, not against them, may be forgiven if they return home thinking "roll on the revolution."

A. L. Beard.
Woodfield, Sparken Hill,
Worksop, Notts.

The velocity of money

From Mr. T. Arthur

Sir,—Mr. Golding (Dec. 5) argues that it is possible for all employers to increase their prices and maintain sales volume without an increase in the stock of money. "All that is required is that the existing money stock . . . circulates somewhat faster." Mr. Golding is probably correct in saying that most monetarists accept this, relying on an assumption of stable velocity to support their quantity theory.

But is it correct or just another myth? Why should a faster velocity of money mean an increase in the price of goods? At each point of sale goods, as well as money, change hands and therefore one may as well argue that a faster velocity of goods causes a rise in the value of money (that is deflation)!

To the extent that goods, like money, are durable there seems no reason to suppose that the price of goods relative to money should change. Non-durable goods may be different, but in any event a faster velocity of money would require more production to keep pace — in which case prices would fall to compensate.

Whichever way one looks at it, I find the argument unconvincing. Economists never talk about the value relationship between two sets of goods changing as a result of "faster velocity" — what is so special about money?

Surely the real point which invalidates the quantity theory of money is that its value viz-a-viz goods is determined by demand as well as supply (of both goods and money). If the demand to hold money reduces then its value will fall.

If the number of bargains made in the stock market increases as a result of buying pressure, stock prices will rise, but if the underlying pressure is to sell, the reverse will happen. The same goes for money and goods — if increased velocity is due to a higher demand for money then the price of goods will fall, not rise. They will rise only if the higher velocity is due to a lower demand for money. This is what happened during several of the great inflations; expanding the money supply increased price inflation disproportionately, because the very expansion caused people to distrust money and hence attempt to sell it for goods.

T. G. Arthur,
3, Yateley Road,
Edgbaston, Birmingham

Today's Events

GENERAL

Mr. Peter Shore, Secretary for the Environment, presents the Government response to "Strategy for the South East Review."

European Parliament meets in Luxembourg (until December 15).

Central Bankers meet in Basle.

Appeal Court hearing on union recognition for white-collar workers in engineering industry.

Peak mourning period of Moharram—religious processions banned in Iran.

King Hussein of Jordan starts four-day official visit to France, dines with President Giscard d'Estaing at the Trianon.

Public employees in Italy plan walk-out as part of campaign for wage increases.

U.S. diplomat Mr. Donald McHenry arrives in Angola.

Last day of Union of Post Office Workers' conference in Bournemouth.

Sir Kenneth Cork, Lord Mayor of London, attends Guild of Freemen dinner, Guildhall.

Price of a standard loaf rises by 1p.

OFFICIAL STATISTICS

Central Government financial transactions—including borrowing requirement for November published by the Treasury. Department of Trade releases provisional November figures for retail sales.

PARLIAMENTARY BUSINESS

House of Commons: Private Members' motions. Northern Ireland orders on appropriation and shops.

Select Committees: Expenditure—Education, Arts and Home Office Sub-Committee. Subject: Women and the penal system. Witnesses: Boards of Visitors of certain women's prisons/borstals. 4.15 pm, Room 15.

Public Accounts Committee. Subject: Cash Limits. 5 pm, Room 16.

COMPANY RESULTS

Final dividends: Management Agency and Music. Martin The Newsagent. Interim dividends: Barker and Dobson Group. N. Brown Investments. Carclo Engineering Group. May and Hassell. Alfred Preedy and Sons. Property Holding and Investment Trust. Rowlinson Constructions Group. St. Georges Laundry (Worcester). South Crofty. R. W. Toothill. Whitecroft. Interim figures: Associated British Engineering. Celestion Industries.

COMPANY MEETINGS

See Financial Diary on page 28.

Jefferson Smurfit's £7m U.S. packaging stake

DUBLIN BASED packaging and paper group, **Jefferson Smurfit**, has agreed to buy a 27 per cent stake in **Alton Box Board** of the U.S. from **The Williams Companies** of Oklahoma, at a total *cost of $13.4m (£6.9m).*

The stake in Alton is expected to change hands in the first quarter of 1979, but before it goes through Alton has the right to purchase the shares from Williams or to introduce another *purchaser acceptable to Williams.*

Alton is a publicly quoted company active in the paper and packaging industry in the U.S. employing over 4,400 people at 48 plants throughout the U.S.

Sales have grown from £83m in *1973 to £122m in 1977* but over the same period profits have fallen from £3m to £1.5m., having reached £4.5m in 1974.

Mr. Howard Kilroy, Smurfit's finance director, said yesterday that the company is ambitious to expand its activities overseas and Alton fits in naturally with its *own activities in the U.S.*

Smurfit first entered the U.S. when it purchased Time Industries for £9m in 1974. Currently Smurfit's sales in the U.S. are running at $50m a year.

Mr. Kilroy added that Smurfit *has offered to purchase new* shares in Alton to take its stake up to 51 per cent, but as yet no decision has been made by the Alton board. Ideally Smurfit would like to have majority control but believes that there could *be an advantage in retaining* Alton's status as a quoted U.S. company.

According to Smurfit, the reason for Alton's poor profits performance is because of the substantial investment which has been made in pollution control equipment. This has recently cost the group some $30m.

Alton is currently spending $15m on improving the machinery at its large kraft paper mill which will make it more competitive and turn that mill round from a loss into the black.

Smurfit will pay cash for its stake in Alton with its existing external currency holdings which at present amount to $35m. Mr. Kilroy agreed that the price for the stake in Alton looked expensive in earnings terms but the *group is backed by $138m of* assets and there is significant potential for a profits recovery.

Freddie Mansfield

Mr. Derek Palmar, chairman of Bass Charrington, with the Burton Union System. This process ferments all the 19 traditional Bass draught ales and provides a unique way of culturing and collecting yeast. The Bass yeast has remained unchanged for one and a half centuries. Bass is the world's largest brewer of traditional draught beers. The group is due to announce its preliminary results on Thursday.

Safeway lifts profits by 23%

ON SALES up 13.2 per cent to *£208.97m. profits before tax of* Safeway Food Stores advanced 23 per cent to £7.31m in the year ended September 30, 1978.

Mr. T. E. Spratt, the chairman, says that because of the highly competitive nature of the *industry, great emphasis has been* placed on containing costs and expenses and profits will be fully utilised in the group's future expansion programme.

No new stores were opened during 1977-78, but several major *remodels and extensions* were completed.

However, since the end of the financial year, three new superstores have been opened at Hammersmith, Clydebank and Herne Bay. Results from these have been outstanding and give every confidence for the future, the chairman says

The group has plans to open a total of about 45 superstores over the next five years.

Sogomana goes ahead

PRE-TAX PROFIT of Sogomana *Group rose from £258,379 to* £343,052 in the six months to June 30, 1978, on turnover ahead from £647,477 to £684,323.

The profit figure is struck after investment income of £140,362 (£74,727). Tax takes £156,899, against £125,428.

The interim is raised from 1.5p net to 2p and stated earnings per share are also up, from 4.27p to 5.97p. For the whole of last year the holding company, which has rubber, oil palm and cocoa estates, paid 6p from pre-tax *profits of £515,760.*

Bardon Hill up 28%

Taking advantage of its recent integration **Bardon Hill Group** lifted taxable profit by 28 per cent from £496,000 to £635,000 for the *six months to September 30, 1978.* Sales were £1.46m better at £7.65m.

Given reasonable trading conditions growth should continue but the results for the full year will largely depend upon the severity of the weather and any change in government policy during the winter, the directors comment. *For 1977/78 profit was £1.2m.*

Earnings per £1 share for the six months improved by 2.1p to 9.7p and the net interim dividend is raised to 3.75p (3.3p) to be paid on January 11. Last time the final was 4.62p. Now the directors say that, assuming the results at full-*time are satisfactory, they would* take advantage of the company's freedom from dividend restraint in recommending the final.

Tax the half-year took £339,000 (£264,000) leaving a net balance of £296,000 (£232,000). Last year *there were extraordinary items of* £7,000.

The company's shares are traded in a market created by M. J. H. Nightingale and Company.

The traditional quarrying and allied activities of the group expanded during the six months, and its crane and plant hire services, including its two new subsidiaries, contributed increased profits in the face of strong competition.

FT Share Information Service

The *following securities have* been added to the Share Information Service appearing in the Financial Times.

Assam Trading B (Section: Overseas Traders.) **Maddock** (Section: Industrials.) **Provincial Laundries 12 per cent Cnv.-Unsc.Ln. 1986-88** (Section: Industrials.)

50% payout to Chester Barrie unsecured creditors on the way

BY RHYS DAVID

A PAYMENT of 50 per cent is being made *immediately to* all unsecured creditors in Chester Barrie, the menswear company which went into receivership in February this year. Also there is now a good chance that all or most of the company's outstanding debts will be paid.

Mr. Cyril Nield, speaking on behalf of the receiver, Mr. Philip Livesey, said no decision had yet been made on whether the company would be liquidated. This *would be left to the shareholders* to decide. In its letter to unsecured creditors the company says that it may be in a position to make a further payment next February.

The current payment reflects the *successful realisation* of the company's assets by the receivers, Coopers and Lybrand.

The company's main factory in Crewe, Cheshire, was acquired in May by Austin Reed, which is using it for the manufacture of high-quality men's suits. Another factory in Wrexham, Clwyd, which proved much more difficult to dispose of, was taken over last month by Jaeger, part of the Coats Paton Group.

Liabilities at Chester Barrie, which was unsuccessful in its *attempts to move into a new area* of the suit market, were more than £2m, but the Austin Reed deal brought in a total of £750,000 for the freehold site, plant and some stock.

The figure for the Wrexham operation, which was on a leasehold site, has not been disclosed, but was substantially less.

The Receivers have *also had* stock to sell, and have also been able to recover money from debtors. *Assets still* held by the company, which has been trading in receivership as CB Realisations, includes some further property in Crewe, as well as *some* remaining stock from the Wrexham factory.

Norwich Union offers new pension plan

Norwich Union Insurance intends to offer an open market option in its personal pension plans as allowed by Section 26 of the Finance Act 1978.

This option allows investors at the time of retirement to use the *cash value of their pension to* purchase an annuity from any life company.

The company still offers only a deferred annuity contract on its personal pension policies where the investor is buying a pension directly with his contributions. Most other life companies simply build up a cash fund and use the *money to buy an annuity.*

The NU will use the same basis for calculating the cash value of the pension as it does for calculating the commutation value, namely £9 cash for each £1 per annum of pension.

Abbott Laboratories

Dealings start in London today in the shares of US health care group **Abbott Laboratories**. A quote has also been arranged on the Swiss stock exchanges.

Abbott began its life towards *the end of the last century when* Dr. Wallace C. Abbott, a physician, began making drugs for his own use then started supplying other doctors.

In its first year of operation Abbot achieved sales of $2,000—last year sales amounted to $1.25bn and in 1978 they are expected to reach $1.5bn.

The *company's products* are sold throughout 160 countries with about a third of group sales accounted for outside the U.S.

In 1977 Abbott made net earnings of $66.7m an increase of nearly 12 per cent. In the first *nine months of the current year* sales were ahead by 16.8 per cent to $1,048.9m and earnings were 28 per cent up at $103.6m.

Bankers to the introduction are J. Henry Schroder Wagg and brokers are Cazenove.

Output setback at Berjuntai

BY KENNETH MARSTON, MINING EDITOR

A SETBACK *in tin concentrate* production for November is reported by Malaysia's leading producer, Berjuntai Tin Dredging. A major adverse factor was the closure of the No. 6 dredge for repairs from November 9 to 29. The company's total output for the first seven months of the current financial year amounts to 2,510 tonnes against 2,918 tonnes in the same period of 1977.

Of more immediate concern, however, is the recent apparent change in governmental attitudes to the company which could well affect the whole industry. As reported here last month, the new development has been a rejection by the Selangor State Government of Berjuntai's application for the renewal of four mining leases.

Instead, the leases have been awarded to the state-owned Kumpulang Perangsan company. Berjuntai will continue to work them, but will have to pay the state company a tribute of 10 per cent for doing so. Furthermore, Kumpulang Perangsan is seeking *an indirect participation* in Berjuntai, but no details have yet been announced.

Of the other mines in the Malaysia Mining Corporation group, eight-month output totals have been reached in the cases of Kamunting 276 tonnes (327 tonnes in same period of last year), Southern Kinta 1,125 tonnes *(1,116 tonnes) and Sungei Besi* 1,477 tonnes (1,277 tonnes).

Mines to reach the five-month stage include *Ayer Hitam 847* tonnes (665 tonnes), Southern Malayan 992 tonnes (889 tonnes) and Malayan 1,348 tonnes (1,060 tonnes); the last-named also announces that its No. 4 dredge was shut down in November for *repairs* expected to last approximately six weeks.

TIN RESULTS

Kramat Tin Dredging reports a half-year net profit of M$680,000 (£158,500) compared with M$568,000 a year ago and a total of M$1,089,000 for the year to March 31. Interim dividend 20 cents, less tax, payable January 11. Application for mining approved over two areas which *should* provide a minimum of six years' of operating life.

Reflecting lower tin concentrate production, Kuala Kampar reports a half-year net profit of M$453,000 against M$775,000 and the 1977-78 total of M$1,284,000. *Interim 30 cents less tax, payable* January 11. There has been no change in position regarding the application for renewal of the company's mining lease which will expire at the end of this month, it is stated.

Kampong Lanjut's half-year profit amounts to M$343,000 against M$327,000 and the *1977-78* total of M$786,000. Interim 12.5 cents less tax, payable January 11. Dredge remains shut down. Company continues to search for new land and to investigate other investment opportunities.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals, and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims—Barker and Dobson, N. Brown Investments, Carclo Engineering, May and Hassell, Alfred Preedy, Premier Consolidated Oilfields, Property Holding and Investment Trust, Rowlinson Construction, St. George's Laundry (Worcester), South Crofty, R. W. Toothill, Whitecroft.

Finals—Blyvooruitzicht Gold, Durban Roodepoort Deep, East Rand Proprietary Mines, Management Agency and Music, Martin the Newsagent, C. A. Sperati.

FUTURE DATES

Interims—	
Associated Communications	Dec. 14
Bell and Sime	Dec. 15
Doranakande Rubber Estates	Dec. 21
FMC	Dec. 19
London Merchant Securities	Dec. 13
Scottish Homes Investment	Dec. 14
Sterling Industries	Dec. 12
Finals—	
Lloyds Bank	Feb. 16
United Scientific	Dec. 15

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INTL. COMPANIES AND FINANCE

CFP raises budget for exploration by 40%

PARIS — Cie Francaise des Petroles, the French state-owned petroleum group, plans to boost its exploration budget by 40 per cent next year to FFr 1.05bn ($239m), M. Jean Dupoury-Camet, the director of exploration, said.

The increase of FFr 300m would, he added, come from the recent capital increase of FFr 580m. The decision was taken in order to offset the decline in such spending in constant franc terms since 1975.

M. Dupoury-Camet pointed out, however, that the increase was insufficient if CFP was to find sufficient reserves each year to maintain its annual production of 20m tons. To achieve this would take an exploration budget of at least FFr 1.2bn.

He said total exploration production would be allotted FFr 850m of the FFr 1.05bn budget for 1979. The group will earmark FFr 100m for Total Petroleum North America and FFr80m for its Middle East activities.

African operations will absorb 40 per cent of CFP's 1979 exploration budget, notably in Algeria and Tunisia. He said that the group would start drilling operations for the first time in Cameroon next March in co-operation with the Mobil oil group, with CFP as operator.

He also revealed that the group had signed an accord last week with the Argentine government for a 3,000-square-kilometre offshore exploration permit south of Buenos Aires. Seismic studies will begin in a few weeks.

About 15 per cent of the exploration budget will be devoted to the Far East, notably Indonesia and the Philippines, while exploration in Europe will account for 20 per cent of the budget. Six wells are to be drilled in the North Sea in 1979, the CFP official said, remarking that any strike would have to be of "gigantic" proportions if it were to be commercially successful.

AP-DJ

UOB buys stake in local bank

By H. F. Lee in Singapore

ONE OF Singapore's four major local banks, The United Overseas Bank (UOB), is acquiring a 13 per cent stake in Asia Commercial Banking Corporation (ACBC).

UOB has reached agreement with ACBC—one of the smaller Singapore banks—to subscribe in cash for 7.5m new shares to be issued by ACBC at S$1.70 per share.

The new shares, which will cost UOB S$12.75m (U.S.$5.8m), represents some 13 per cent of ACBC's enlarged issued capital of S$57.5m.

The agreement is, however, subject to approval by the Monetary Authority of Singapore and shareholders of ACBC.

UOB said that its equity participation would not only enlarge the capital base of ACBC, but also enable the two banks to co-operate and work closely together.

ACBC, which has assets totalling over S$614m, also has a finance company subsidiary known as Asia Commercial Finance.

This latest move underscores the acquisitive appetite of the UOB group, which already has two banks under its wings and an interest in several companies, including Haw Par Brothers International.

Jardine, Matheson sees HK upturn

HONG KONG—Jardine Matheson's chairman, Mr. David Newbigging, expects an overall improvement in earnings from the group's Hong Kong interests next year, after the decline in the first half of the current year to 50 per cent of total profits from 57 per cent a year earlier.

This would be partly due to elimination of losses at Jardine Industries but would also arise from improved performance in its engineering, marketing and airways divisions, he said.

Profits from shipowning, however, would be about HK$5m (U.S.$1.04m) lower than this year if interest rates remain at current levels, due to higher debt servicing costs, he said.

Earnings from shipowning would have been substantially higher next year had local interest rates not been raised sharply in recent weeks.

But the overall effect of the increases on group interest charges will not be particularly great since the bulk of long term debt is at fixed interest rates.

Proceeds from the sale of the company's 75 per cent stake in Gammon House in Hong Kong to Hongkong Land Company Ltd. will enable a substantial reduction in debt, Mr. Newbigging said.

Growth in the second half of this year had not diverged materially from his interim forecast. In that statement he forecast growth at about the same level as in the first half when group net profit rose 7.1 per cent to HK$120m (U.S.$25m). Analysts' forecast for the current year are in the HK$335m to HK$340m range in line with the company's implied forecast of HK$337m.

Mr. Newbigging said he was confident losses within the Jardine Industries Group could be eliminated in the current year, but even if they look like spilling over into 1979, full provisions will be made in the 1978 accounts.

The situation at Jardine Davies in the Philippines has now stabilised, but no major growth in earnings can be expected, barring a significant rise in the price of sugar, he said.

The company's Hawaiian subsidiary Theo H. Davies would clearly benefit from a 15 cents a pound U.S. support price for 1978 crop sugar, Mr. Newbigging said, but he declined to quantify possible gains arising from such a support level.

Recovery is continuing at Rennies Consolidated Holdings in South Africa, with profits for this year expected to show a rise of at least 20 per cent, he said.

Mr. Newbigging declined to forecast growth in earnings

Reuter

Landis & Gyr boosts profit

By John Wicks in Zürich

GROUP EARNINGS for the Swiss-based electrical engineering concern Landis and Gyr rose in the financial year ended September 30 to some SwFr. 46m ($27m) according to provisional results.

This is the highest profit figure for the group since fiscal 1973 and compares with earnings of SwFr 41.2m for 1976/77.

Despite this favourable result, the board of parent company Landis and Gyr AG, Zug, points out that a substantial part of turnover resulted from foreign plants. Also, the appreciation of the Swiss franc would take effect only after a time-lag, protective measures against currency losses having taken place at the start of the business year at much higher exchange rates.

Group turnover fell by 7 per cent for 1977/78 to SwFr 986m after a sharp rise of 20.5 per cent to SwFr 1.03bn in the previous year, following the take-over of the U.S. meter manufacturer, Duncan Electric. Production declined by only 3.7 per cent, to a value of SwFr 1.03bn, more having been manufactured for stocking. There was a marked fall of 13 per cent, to SwFr 980m, in the level of new orders.

AUA traffic shows rise

By Paul Lendvai in Vienna

AUSTRIAN AIRLINES (AUA) reports a rise of 8 per cent in passenger traffic during the first nine months of this year compared to the same period of last year. The number of passengers reached 943,000 due to the purchase of two additional DC-9 airliners.

The increase mainly took place in the longer flights, which also meant a rise of 14 per cent in passenger kilometres. The greatest rises were reported on the Vienna-Tel Aviv and Vienna-Cairo via Athens flights.

Currency, Money and Gold Markets

One adder to the snake

BY COLIN MILLHAM

Chase Manhattan Bank chairman, Mr. David Rockefeller, called in at London last Tuesday on his way to trade talks in Moscow. He used part of his time here to speak to the Press, and seemed fairly happy with the most recent U.S. measures to bolster the dollar. Mr. Rockefeller indicated that the present central bank support package was well thought through, and should be followed by a gradual improvement in the balance of payments position. He put the chances of a recession in 1979 at about 50/50, with only a 10 per cent chance of anything very serious developing. The tightening of credit by the Federal Reserve has been sharper than expected, leading to higher prime lending rates, but Mr. Rockefeller did not care to comment upon how high rates would go next year.

Commenting on the setting up of the European monetary system, he welcomed the creation of a stable currency block, but this was said before it became known that Italy and Ireland were unlikely to join.

The foreign exchange market took the outcome of the EMS talks remarkably calmly last week. Looking at various currency rates it was hard to see what all the fuss was about. Speculation about the future of the EMS is bound to centre around the French franc, if Britain, Ireland and Italy remain outside. French inflation is only slightly under double figures, compared with just over 2 per cent in Germany. Belgium's annual inflation level is 3.81 per cent on October's figures, and the Belgian franc has had more than its share of pressure in the present snake in the latter part of this year.

France obviously has some way to go before there can be any confidence about the franc's performance in the new "first division," but there was no sign of this in the spot rate last week. In Paris on Friday the D-mark was fixed at FFr 2.2979, compared with FFr 2.2998 at the end of the previous week. The only hint of alarm was in the forward market, where the French currency looked a little vulnerable, leading to a rise in Euro-franc interest rates. Short-term rates touched 12 per cent on Wednesday, while the franc's premium against the dollar fell.

CURRENCY RATES

December 8	Special Drawing Rights	European Unit of Account
Sterling	0.652892	0.673125
U.S. dollar	1.27388	1.31302
Canadian dollar	1.49512	1.54245
Austrian schilling	—	18.3883
Belgian franc	38.5998	39.3196
Danish krone	—	6.99424
Deutsche Mark	2.43795	2.51623
Guilder	2.64801	2.73052
French franc	5.60418	5.78104
Lira	—	n/a
Yen	252.961	260.711
Norwegian krone	6.65217	6.73615
Peseta	—	93.7142
Swedish krona	5.64858	5.83729
Swiss franc	2.16669	2.23655

GOLD

	Dec. 8	Dec. 7
Gold Bullion (a fine ounce)		
Close	$202-202¾	$198¼-199
Opening	[illegible]	[illegible]
Morning fixing	[illegible]	[illegible]
Afternoon fixing	[illegible]	[illegible]
Gold Coins domestically		
Krugerrand	[illegible]	[illegible]
New Sovereigns	[illegible]	[illegible]
Old Sovereigns	[illegible]	[illegible]
Gold Coins internationally		
Krugerrand	[illegible]	[illegible]
New Sovereigns	[illegible]	[illegible]
Old Sovereigns	[illegible]	[illegible]
$20 Eagles	[illegible]	[illegible]
$10 Eagles	[illegible]	[illegible]
$5 Eagles	[illegible]	[illegible]

THE POUND SPOT / FORWARD AGAINST £

Dec. 8	Bank rate %	Day's Spread	Close	One month	% p.a.	Three months	% p.a.
U.S. $	9½	1.9510-1.9615	1.9600-1.9610	0.37-0.27 c.pm	1.96	1.17-1.07 c.pm	2.39
Canadian $	10¾	2.2925-2.3040	2.3020-2.3030	0.70-0.60 c.pm	3.39	1.85-1.75 c.pm	3.13
Guilder	6½	4.04½-4.08	4.06¾-4.07½	1⅝-⅝ c.pm	2.58	4⅛-3⅛ c.pm	3.56
Belgian F	6	58.00-58.35	58.20-58.30	25-15 c.pm	4.05	65-50 c.pm	3.88
Danish K.	8	10.38-10.44½	10.43½-10.44½	2-4 ore dis	−3.45	4¼-6¼ ore dis	−2.11
D-Mark	3	3.75-3.76	3.74½-3.75½	3⅝-2⅝ pf pm	9.20	9¼-8¼ pf pm	9.60
Port. Esc.	18	91.10-91.98	91.50-91.90	60-185 c. dis	−10.80	140-510 c. dis	−9.81
Span. Pes.	8	139.35-140.00	139.90-140.00	30-100 c. dis	−5.57	210-310 c. dis	−7.43
Lira	10½	1,657-1,662	1,661-1,662	2-4 lire dis	−2.17	4-7 lire dis	−1.32
Nrwgn. K.	7	10.00-10.07	10.05½-10.06½	2¼-1¼ ore pm	1.79	6¼-4¼ ore pm	2.09
French Fr.	9½	8.57-8.62	8.60½-8.61½	2½-1½c.pm	2.79	8-7 c. pm	3.48
Swedish Kr.	6½	8.64½-8.70	8.68½-8.69½	4-2 ore pm	4.14	11½-9½ ore pm	4.95
Yen	3½	385-392	387½-388½	4.30-4.00y pm	12.82	11.70-11.40y pm	11.89
Austria Sch.	4½	27.30-27.58	27.43-27.48	17-7 gro pm	5.24	52-42 gro pm	6.85
Swiss Fr.	1	3.32-3.35	3.32¾-3.33¾	4¼-3¼ c. pm	13.50	11¼-10¼ c. pm	12.90

Belgian rate is for convertible francs. Financial franc 60.45-60.55.

Six-month forward dollar 2.17-2.07c pm. 12-month 4.10-4.00c pm.

THE DOLLAR SPOT

December 8	Day's spread	Close
Canad'n $	85.07-85.24	85.07-85.10
Guilder	2.0735-2.0785	2.0735-2.0755
Belgian Fr	30.26-30.33	30.26-30.28
Danish Kr	5.3205-5.3300	5.3275-5.3300
D-Mark	1.9130-1.9147	1.9130-1.9140
Port. Esc	46.78-46.88	46.78-46.88
Span. Pta	71.38-71.46	71.40-71.45
Lira	846.50-850.00	846.50-848
Nrwgn. Kr	5.1215-5.1330	5.1300-5.1310
French Fr	4.3925-4.3955	4.3925-4.3950
Swedish Kr	4.4280-4.4336	4.4315-4.4325
Yen	198.20-198.50	198.20-198.40
Austria Sch	13.98-14.06	14.00-14.03
Swiss Fr	1.7010-1.7055	1.7010-1.7025

FORWARD AGAINST $

	One month	p.a.	Three months	p.a.
Canad'n $	[illegible]	[illegible]	[illegible]	[illegible]
Guilder	[illegible]	[illegible]	[illegible]	[illegible]
Belgian Fr	[illegible]	[illegible]	[illegible]	[illegible]
Danish Kr	[illegible]	[illegible]	[illegible]	[illegible]
D-Mark	[illegible]	[illegible]	[illegible]	[illegible]
Port. Esc	[illegible]	[illegible]	[illegible]	[illegible]
Span. Pta	[illegible]	[illegible]	[illegible]	[illegible]
Lira	[illegible]	[illegible]	[illegible]	[illegible]
Nrwgn. Kr	[illegible]	[illegible]	[illegible]	[illegible]
French Fr	[illegible]	[illegible]	[illegible]	[illegible]
Swedish Kr	[illegible]	[illegible]	[illegible]	[illegible]
Yen	[illegible]	[illegible]	[illegible]	[illegible]
Austria Sch	—			
Swiss Fr	[illegible]	[illegible]	[illegible]	[illegible]

OTHER MARKETS

Dec. 8	£	$		£ Note Rates
Argentina Peso	1.895-1.899	966.60-968.60	Austria	37-38
Australia Dollar	1.7180-1.7230	0.8805-0.8814	Belgium	60-61½
Finland Markka	7.9150-7.9350	4.0510-4.0530	Denmark	10.35-10.55
Brazil Cruzeiro	38.60-39.60	19.70-20.20	France	8.55-8.65
Greek Drachma	71.199-72.941	36.38-37.20	Germany	3.70-3.80
Hong Kong Dollar	9.3550-9.3750	4.7600-4.7650	Italy	1630-1700
Iran Rial	144.34-146.24	74-76	Japan	385-395
Kuwait Dinar (KD)	0.531-0.541	0.27500-0.27515	Netherlands	4.00-4.10
Luxembourg Franc	59.10-59.20	30.21-30.24	Norway	9.95-10.10
Malaysia Dollar	4.2825-4.3025	2.2000-2.2040	Portugal	88-96
New Zealand Dollar	1.8630-1.8700	0.9542-0.9574	Spain	139½-143¼
Saudi Arabia Riyal	6.52-6.62*	3.3700-3.3750	Switzerland	3.30-3.40
Singapore Dollar	4.27-4.29	2.1900-2.1920	United States	1.9450-1.9550
South African Rand	1.6849-1.7108	0.8634-0.8767	Yugoslavia	41-43

Rate given for Argentina is free rate.

Rate for Saudi Arabia Riyal on December 1 should have been 6.47-6.57 (£).

EXCHANGE CROSS RATES

Dec. 8	Pound Sterling	U.S. Dollar	Deutschemark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.961	3.750	388.5	8.613	3.333	4.070	1662	2.305	59.25
U.S. Dollar	0.510	1.	1.913	198.2	4.393	1.700	2.076	847.5	1.174	30.22
Deutsche mark	0.267	0.523	1.	103.6	2.297	0.889	1.085	443.1	0.614	15.80
Japanese Yen 1,000	2.574	5.046	9.653	1000.	22.17	8.578	10.48	4277	5.927	152.5
French Franc 10	1.161	2.276	4.354	451.1	10.	3.869	4.726	1929	2.673	68.80
Swiss Franc	0.300	0.588	1.125	116.6	2.584	1.	1.221	498.6	0.691	17.78
Dutch Guilder	0.246	0.482	0.921	95.15	2.116	0.819	1.	408.2	0.566	14.56
Italian Lira 1,000	0.602	1.180	2.257	233.8	5.184	2.006	2.450	1000.	1.386	35.66
Canadian Dollar	0.434	0.851	1.629	168.7	3.710	1.447	1.768	721.6	1.	25.73
Belgian Franc 100	1.688	3.309	6.329	655.7	14.54	5.624	6.869	2801	3.885	100.

MONEY RATES

NEW YORK

Prime Rate	11.5
Fed Funds	9.75
Treasury Bills (13-week)	8.88
Treasury Bills (26-week)	9.22

GERMANY

Discount Rate	3
Overnight	3.55
One month	[illegible]
Three months	[illegible]
Six months	[illegible]

FRANCE

Discount Rate	[illegible]
Overnight	[illegible]
One month	[illegible]
Three months	[illegible]
Six months	[illegible]

JAPAN

Discount Rate	[illegible]
Call (Unconditional)	[illegible]
Bills Discount Rate	[illegible]

LONDON MONEY RATES

Dec. 8 1978	Sterling Certificate on deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	4-12¼	—	—	—	12⅛	10¾-12⅛	—	—	—
2 days notice	—	—	11⅞-12⅛	—	—	12⅛	—	—	—	—
7 days or ...	—	—	—	—	—	—	11¾-12	—	—	—
7 days notice	—	12-12¼	12-12⅛	—	12¼	12⅝	12	—	—	—
One month	12¼	12⅛-12¼	12-12⅛	12⅛-12⅛	12¼	12⅝	12	11⅞-11⅜	12⅛-12½	12¼
Two months	12¼-12⅜	12⅜-12⅜	—	12⅛-12⅛	12⅜	—	12	11½-11⅜	12⅜	12⅜
Three months	12⅜-12⅜	12¼-12⅜	12⅛-12¼	11⅞-12¼	12⅜	—	12	11⅝-11⅝	12	12½
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	[illegible]	13
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
Two years	—	—	[illegible]	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. [illegible]

[illegible]

Finance House Base Rates (published by the Finance Houses Association) [illegible] per cent from December 1, 1978. Clearing Bank Deposit Rates for small sums at seven days' notice 10 per cent. Clearing Bank Base Rates for lending 12½ per cent. Treasury Bills: Average tender rates of discount 11.3582 per cent.

UK PENDING DIVIDENDS and ISSUES

The dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. Dates shown are those of last year's announcements, except where the forthcoming board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent shown in the column headed "Announcement last year." Preliminary profit figures usually accompany final dividend announcements.

	Date	Announcement last year
*Associated Communictns.	Dec. 14	Int. 2.772
Associated Engineering	Dec. 15	Final 3.42
Associated Dairies	Dec. 14	Int. 0.45
BOC Intnl.	Dec. 21	Final 1.785
*Barlow Rand Group	Dec. 11	Finals due
*Bass Charrington	Dec. 14	Final 3.211
Berisford (S. and W.)	Jan. 5	Final 4.75
Berry Wiggins	Oct. 6	Final nil
*Borthwick (Thos.)	Dec. 12	Final 3.8
Butterfield Harvey	Jan. 10	Int. 1.125
*Distillers	Dec. 14	Int. 2.695
*Dobson Park Inds.	Dec. 12	Final 1.239
*Elliot (B.)	Dec. 29	Int. 2.458
English China Clays	Jan. 12	Final 1.5028
*Guinness (A.)	Dec. 15	Final 4.687
*Guthrie Corpn.	Dec. 12	Int. 6
Hickson and Welch	Jan. 12	Final 6.7466
Hogg Robinson	Jan. 9	Int. 3.63
*IC Gas	Dec. 12	Int. 4
*ICL	Dec. 14	Final 4.525
Johnson-Richards (H. and R.)	Dec. 19	Int. 3.272
Kenning Motor	Jan. 11	Final 2.65
*Lindustries	Dec. 21	Int. 3.0
Linfood	Dec. 20	Int. 3.0
*Lloyds and Scottish	Dec. 14	Final 2.4065
*MEPC	Dec. 14	Final 1.7
McCorquodale	Jan. 11	Final 8.74
*Meyer (Mont. L.)	Dec. 12	Int. 1.7
*Norcros	Dec. 15	Int. 1.6
*Northern Foods	Dec. 19	Final 2.1
*RHP	Dec. 12	Final 2.4022
Raybeck	Jan. 12	Int. 1.0126
SGB	Jan. 10	Final 2.754
*Scot. and Newc. Breweries	Dec. 20	Int. 1.35
*Serck	Dec. 13	Final 3.94
Smith Inds.	Nov. 8	Final 4.2603
Staflex Inds.	Nov. 9	Int. nil
*Std. Chartered Bank	Dec. 12	Int. 7.75
Thorn Electrical	Jan. 13	Int. 2.45
*Trafalgar House	Dec. 12	Final 2.62
Turner Manufacturing	Jan. 13	Final 2.293
*Unicate	Dec. 21	Int. 1.23
Ward (T. W.)	Jan. 4	Final 2.565
Westland Aircraft	Jan. 5	Final 1.6726
*Wilkinson Match	Dec. 14	Int. 3.732

* Board meetings intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made from reserves.

BASE LENDING RATES

A.B.N. Bank	12½%	■ Hambros Bank	12½%
Allied Irish Banks Ltd.	12½%	■ Hill Samuel	§12½%
American Express Bk.	12½%	C. Hoare & Co.	†12½%
Amro Bank	12½%	Julian S. Hodge	13½%
A P Bank Ltd.	12½%	Hongkong & Shanghai	12½%
Henry Ansbacher	12½%	Industrial Bk. of Scot.	12½%
Associates Cap. Corp.	12½%	Keyser Ullmann	12½%
Banco de Bilbao	12½%	Knowsley & Co. Ltd.	14½%
Bank of Credit & Cmce.	12½%	Lloyds Bank	12½%
Bank of Cyprus	12½%	London Mercantile	12½%
Bank of N.S.W.	12½%	Edward Manson & Co.	13½%
Banque Belge Ltd.	12½%	Midland Bank	12½%
Banque du Rhone et de la Tamise S.A.	13 %	■ Samuel Montagu	12½%
Barclays Bank	12½%	■ Morgan Grenfell	12½%
Barnett Christie Ltd.	13½%	National Westminster	12½%
Bremar Holdings Ltd.	13½%	Norwich General Trust	12½%
Brit. Bank of Mid. East	12½%	P. S. Refson & Co.	12½%
■ Brown Shipley	12½%	Rossminster	12½%
Canada Perm't Trust	12½%	Royal Bk. Canada Trust	12½%
Cayzer Ltd.	12½%	Schlesinger Limited	12½%
Cedar Holdings	12½%	E. S. Schwab	13½%
■ Charterhouse Japhet	12½%	Security Trust Co. Ltd.	13½%
Choulartons	12½%	Shenley Trust	14 %
C. E. Coates	12½%	Standard Chartered	12½%
Consolidated Credits	12½%	Trade Dev. Bank	12½%
Co-operative Bank	*12½%	Trustee Savings Bank	12½%
Corinthian Securities	12½%	Twentieth Century Bk.	13½%
Credit Lyonnais	12½%	United Bank of Kuwait	12½%
Duncan Lawrie	12½%	Whiteaway Laidlaw	13 %
The Cyprus Popular Bk.	12½%	Williams & Glyn's	12½%
Eagil Trust	12½%	Yorkshire Bank	12½%
English Transcont.	12½%		
First Nat. Fin. Corp.	14 %		
First Nat. Secs. Ltd.	14 %		
■ Antony Gibbs	12½%		
Greyhound Guaranty	12½%		
Grindlays Bank	12½%		
■ Guinness Mahon	12½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 10%, 1-month deposits 10½%.
† 7-day deposits on sums of £10,000 and under 10%, up to £25,000 10½% and over £25,000 10¾%.
‡ Call deposits over £1,000 10%.
§ Demand deposits 10%.

RECENT ISSUES

EQUITIES

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p:	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
42½	F.P.	24/11	48	43	Arncliffe Hldgs.	44	.....	ь2.55	2.4	8.7	7.1
A$0.50	F.P.	—	76	61	Ashton Mining 50c	76	+5	—	—	—	—
A$1.25	F.P.	—	106	100	††Aust. Farming A$1	100	.....	—	—	—	—
165	F.P.	—	175	171	Harris Queensway 20p	173	.....	;7.8	3.1	6.7	7.3
29	F.P.	5/1	31	29	Kitchen Queen 10p	30	.....	ь1.54	3.4	6.7	5.0

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price £	+ or −
£99¾	F.P.	—	99¾	99½	Anglesey Variable 1983	99¾	.....
¶	£10	26/1	12½	11¾	Colne Valley Water 7% Red. P. Prf. 1983	12½	.....
[illegible]	F.P.	16/11	117	101	Crosby House 10% Conv. [illegible]	117	+1
‖100p	Nil	—	½pm	½pm	Findlay 8% Cnv. Cum. Red. Prf.	½pm	.....
‖100p	Nil	—	5pm	2pm	Hawley-Goodall 12% Cnv. Uns. Ln. '85-88	5pm	.....
£1	F.P.	22/12	99p	98p	Newman Inds. 10½% Acc. Prf.	98p	.....
£9⅞	£10	25/1	9½	9	Rickmansworth & Uxbridge Water 7% '85	9¼	.....
97p	F.P.	5/1	98p	98p	Seascope 10½% Pref.	98p	.....
£9⅞	£10	26/1	9¾	9¼	West Kent Water 7% Pref. 1983	9½	.....

"RIGHTS" OFFERS

Issue Price p:	Amount Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1978 High	1978 Low	Stock	Closing Price p:	+ or −
560	F.P.	8/12	12/1	645	568	Beecham	645	−5
17	Nil	15/12	26/1	3¼pm	2¾pm	Boulton (Wm.)	3pm	.....
350	F.P.	6/12	21/12	414	388	Brown (J.)	394	−4
67	F.P.	29/11	5/1	77	71½	Capper-Neill	74½	.....
105	Nil	15/12	12/1	8pm	8pm	Clifford (Chas.)	7½pm	+½
93	Nil	15/12	12/1	14½pm	10pm	Dixon (D.)	10pm	.....
130	F.P.	8/12	12/1	147	140	Hoskins & Horton	145	−2
125	Nil	15/12	12/1	38pm	34pm	M.L. Holdings	30pm	−6
74	F.P.	22/12	6/12	82	71½	Newman Inds.	82	+1½
165	Nil	18/12	10/1	45pm	35pm	Stothert & Pitt	33pm	−2
62	Nil	18/12	15/1	14pm	5pm	Tern Consulate	14pm	.....

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ; Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p: Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

MINING

Uranium battle

BY LODESTAR

WHERE DO Australia's potential uranium miners stand now? Only a short while ago it looked as though the final hurdles had been surmounted. The partnership of the Government, Peko-Wallsend and EZ Industries is due to take its Ranger deposit to production by 1982. Queensland Mines' Narbarlek should soon be heading for the same target date.

EZ and Peko have indicated that their share of finance for the A$300m (£174m) Ranger project of just over A$40m apiece should be forthcoming without calling on shareholders. The Government is committed to providing 72½ per cent of the cost. So why is there a distinct lack of euphoria in the share market?

There are three reasons. Firstly, doubts are growing about the medium-term prospects for uranium demand. Sir Edward Cohen, EZ chairman, has admitted that because of existing supply contracts markets in the U.S., Japan and Western Europe offered only limited prospects for Australian exports in the early 1980s.

Secondly, hopes that Australia's Labor Party opposition to uranium mining would die away have been dashed by its leader, Mr. Bill Hayden, who recently reiterated this policy with a warning to the companies, their financiers and potential customers that Labor in power would "not be constrained by this Government's permissive uranium policy" adding that the uranium market did not look promising so there was no "urgency to develop Australia's resources."

This was taken by the stock market as an indication that investment in uranium shares was a speculation on the present administration remaining in power during the early part of the next decade it being recognised that Labor would find it much more difficult to restrain an established industry than it would to halt development thereof during the construction period.

Thirdly, there is the prospect of strong competition in world markets from the big uranium finds in Canada's Saskatchewan province. This has been emphasised by Mr. Tony Grey, chairman of the frustrated Pancontinental company. He warns that "if a more vigorous aproach to development does not occur soon, uranium from the large high-grade Saskatchewan deposits will be sold directly into Australia's markets."

Finally, aboriginal opposition to development of the Pancontinental-Getty Oil Jabiluka deposit, the largest in Australia, grows fiercer. The latest demand is that no go-ahead be given until experience has been gained from actual production at Ranger and Nabarlek. This would make investment in Pancontinental very much a long-range affair.

In Saskatchewan, as instanced by last week's news from Asamera Oil, the uranium potential continues to build up. True, only two mines are so far operating, those of Eldorado Nuclear at Beaverlodge and Gulf Minerals-Uranerz at Rabbit Lake. But four more are on their way. Cenex's small Cinch mine is due to start up early next year.

The other three, with much greater production potential, are those of Amok at Cluff Lake by late-1980, Uranerz-Eldorado-Saskatchewan Mining Development Corporation at Key Lake with a target date of 1983 and Imperial Oil-Numac-Bow Valley at Midwest Lake, which may be the biggest of all with anything up to 300m lbs of uranium oxide, possibly also coming on stream by 1983.

Canada's annual production potential from Saskatchewan alone is put at over 0.8m short tons of uranium oxide by the mid-1980s. Australia's Ranger aims initially at 0.3m tonnes and Nabarlek at 0.1m tonnes.

South Africa is another competitor which seems to be adept at picking up supply contracts with the accompanying facility of customer finance for capital costs, although this useful adjunct is now becoming harder to find. In the first nine months of 1978 production of uranium oxide totalled 3,330 tonnes, nearly 20 per cent up on the 2,784 tonnes for the same period of last year.

All in all, it seems probable that as the present decade draws to a close less and less stock market enthusiasm is likely to be generated for the share of exploration companies that discover new uranium deposits with initial price boosts consequently being reduced both in size and duration. Investors who participate will thus need to be ever more nimble if they are to profit therefrom.

Public Works Loan Board rates

Effective from December 2

Years	Quota loans repaid by EIP†	At	at maturity§	Non-quota loans A* repaid by EIP†	At	at maturity§
Up to 5	12⅝	12⅞	13	13⅛	13¼	13½
Over 5, up to 10	13	13⅛	13¼	13½	13⅝	13¾
Over 10, up to 15	13¼	13¼	13¾	13¾	13¾	13⅞
Over 15, up to 25	13¼	13⅜	13½	13⅞	13⅞	14
Over 25	13⅜	13½	13½	13⅞	14	14

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

INSURANCE

Lloyd's to provide dental costs cover

BY OUR INSURANCE CORRESPONDENT

A SIGNIFICANT gap in medical expenses cover, whether provided by the non-profit making provident institutions or by the insurance companies or Lloyd's underwriters, has been the lack of provision of the cost of dental treatment.

As far as I know, the only dental insurance commonly available has been under the medical expenses section of the average holiday travel policy, and even there, insurers limit their payments to urgent treatment. Perhaps because most people have a dread of going to the dentist, insurers reckon the cost of dental treatment forms an insignificant part of their holiday travel claims payout.

In the years since the war, the vast majority of Britons has used the dental service provided by the NHS. But with the cost of NHS treatment now hitting the patient's pocket, while many items now fall outside the scheme, and with some dentists leaving the State service, there is an opportunity for private insurance to step in, to meet the demand and to stimulate it further.

Initial stages

The problem for any insurer, provident or otherwise, in the absence of market experience and with a virtual dearth of statistics, is to set the premium at sufficient level to contain claims costs and pay administration expenses—and, in the case of the proprietary company or Lloyd's underwriters, to make a profit. Seemingly, in the initial stages of any private enterprise dental expenses scheme, there must be the risk, if not the actuality, of considerable selection against insurers.

But now, dental expenses cover is to be provided by Lloyds, through the agency of AMA Dental Insurance Services, a newly formed division of Allied Medical Insurance Services, which has for some years been marketing Lloyds-backed group health insurance.

The maximum amount payable under this scheme in any year of insurance is £500. Within this overall sum, underwriters have set a range of maximum benefits for the particular items of treatment: for example, £20 a tooth for root treatment, £60 a crown for gold crowning, £95 a denture for partial metal base dentures. Much of the more expensive work is subject to a 25 per cent contribution by the patient unless the treatment is required as the result of what the prospectus calls "trauma"—an accidental blow rather than deterioration. Certain treatment, but not all, must be approved in advance by AMA Dental Insurance Services.

Anyone between 18 and 60, normally resident in this country, is eligible. Coupled with the brief proposal form is a detailed dental report which must be provided by the proposer's dentist, giving details that the dentist will have on his record card. Thus, for example, missing, replaced and filled teeth must be listed, and the proposer's periodontal condition described. This report must be supported by a certificate stating that, at the time of the application, the proposer needs no dental treatment. With the backing of this certificate, in practice, underwriters must have an average of six months' waiting period a policy, perhaps longer, before the claims can begin to roll in.

Of course the dentist charges for the report and certificate, but once the policy is issued, insurers will reimburse the charge. The policy provides payment for two consultations each year, and the enabling consultation is taken as one of the two allowable in the first year. It is a condition of the insurance that the policyholder has at least one consultation a year, to ensure that any deterioration in dental health is discovered and remedied before it becomes too expensive.

Annual premium is £50 but it can be paid in half yearly instalments of £26.25.

TEL AVIV

Company	Prices Dec. 10, 1978	change on the week
Banking, Insurance and Finance		
Bank Leumi le Israel	340.5	+ 4.0
IDB Bankholding	436	− 9.0
Bank Hapoalim Br.	491	− 7.0
Union Bank of Israel Br.	404	− 12.0
United Mizrah Bank	218	+ 0.5
Hassneh Insurance Br.	376	+ 13.0
Gen. Mortgage Bank Br.	320	+ 5.0
"Tefahot" Israel Mrtage	408	− 2.0
Land Development		
Africa Israel Invest.	899	+ 41.0
Israel Land Develop. Br.	249	− 3.0
Property and Building	389.5	+ 3.0
Public Utility		
Israel Electric Corp.	324	+ 6.0
Investment Companies		
Bank Leumi Invest.	347	—
"Clal" Israel Invest.	460	+ 7.0
Commercial and Industrial		
Alliance Tyre and Rbr.	1,335	+ 55.0
Elco Br.	217.5	+ 2.0
Argaman Textile Br.	248	− 9.0
"Ata" Textile "B"	180	+ 4.0
Amer. Israel Paper Mills	455	− 5.0
Assis	280	+ 9.0
Elite	331	—
Teva Res.	770	+ 4.0
Fuel and Oil		
Delek	223	+ 8.0

Source Bank Leumi le-Israel, BM, Tel Aviv.

WORLD STOCK MARKETS

Indices

NEW YORK—DOW JONES

	Dec. 8	Dec. 7	Dec. 6	Dec. 5	Dec. 4	Dec. 1	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
♦Industrials	811.85	816.08	821.90	820.57	806.83	811.50	907.74 (8/9)	742.12 (28/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'meB'nds*	86.47	86.56	86.49	86.51	86.28	86.28	90.86 (4/1)	86.12 (13/11)	—	—
Transport	215.45	216.80	218.20	218.29	215.55	216.80	261.48 (8/9)	199.31 (9/1)	278.88 (7/2/69)	12.23 (8/7/32)
Utilities	101.06	101.28	101.32	100.76	100.27	99.57	110.98 (5/1)	98.35 (14/11)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's†	19,840	21,240	23,830	25,090	22,820	26,020	—	—	—	—

– Basis of Index changed from Aug. 24

♦ Day's high 826.49 low 812.98

Ind. div. yield %	Dec. 1	Nov. 24	Nov. 17	(Year ago approx
	5.97	5.83	5.90	5.57

STANDARD AND POORS

	Dec. 8	Dec. 7	Dec. 6	Dec. 5	Dec. 4	Dec. 1	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
† Industrials	107.26	107.81	108.34	108.30	106.80	108.95	118.71 (12/9)	95.52 (6/5)	134.54 (11/1/73)	3.55 (30/6/32)
§Composite	96.63	97.06	97.49	97.44	96.15	96.28	106.98 (12/9)	86.90 (6/3)	125.85 (11/1/63)	4.40 (1/6/32)

	Dec. 6	Nov. 29	Nov. 22	Year ago (approx.)
Ind. div. yield %	5.05	5.23	5.12	4.96
Ind. P/E Ratio	8.77	8.73	8.90	8.92
Long Gov. Bond yield	8.74	8.75	8.67	7.86

N.Y.S.E. ALL COMMON

Dec. 8	Dec. 7	Dec. 6	Dec. 5	1978 High	1978 Low
54.06	54.30	54.51	54.44	60.38 (11/9)	48.37 (6/3)

Rises and Falls

	Dec. 8	Dec. 7	Dec. 6
Issues Traded	1,861	1,881	1,916
Rises	532	591	865
Falls	863	818	595
Unchanged	455	472	456
New Highs	—	—	24
New Lows	—	—	24

MONTREAL	Dec. 8	Dec. 7	Dec. 6	Dec. 5	1978 High	1978 Low
Industrial	217.80	217.41	215.92	214.38	222.14 (11/10)	152.88 (16/2)
Combined	224.84	224.25	222.52	221.91	235.61 (12/10)	170.82 (30/1)
TORONTO Composite	1286.6	1288.5	1285.2	1282.1	1332.7 (12/10)	998.2 (30/1)
JOHANNESBURG Gold	—	228.2	225.8	224.8	272.0 (14/8)	186.9 (25/4)
Industrial	—	257.7	255.9	288.7	291.3 (1/11)	194.9 (13/3)

	Dec. 8	Previous	1978 High	1978 Low
Australia(¶)	536.78	534.84	568.79 (22/8)	411.19 (1/3)
Belgium (‖)	97.67	97.75	101.16 (8/8)	90.43 (23/6)
Denmark(**)	91.42	91.34	98.95 (14/6)	88.08 (30/10)
France (††)	79.3	78.6	83.0 (4/10)	47.6 (3/2)
Germany(‡‡)	828.40	833.10	863.8 (19/10)	766.4 (17/5)
Holland (§§)	79.5	79.4	93.1 (11/8)	76.0 (4/4)
Hong Kong (¶¶)	532.72	521.38	707.70 (4/9)	383.4 (13/4)
Italy (‖‖)	(c)	70.76	82.25 (25/9)	55.45 (10/1)
Japan (a)	450.28	448.80	450.28 (8/12)	364.04 (4/10)
Singapore(b)	353.66	353.25	414.50 (8/9)	262.0 (9/1)
Spain (d)	(c)	91.70	110.78 (9/8)	87.88 (17/8)
Sweden (e)	372.57	372.39	408.00 (4/8)	325.74 (3/1)
Switzerld(f)	285.2	286.4	325.7 (14/2)	261.6 (26/9)

Indices and base dates (all base values 100 except NYSE All Common—50 Standards and Poors—10 and Toronto 300—1,000, the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec. 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 30/12/77. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. u Unavailable.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Sears Roebuck	201,300	21⅛	+⅛
Texaco	198,800	24⅜	—
Minn. Mining & M.	187,400	60⅜	−⅜
Southern Cal. Ed.	179,700	25⅛	—
Mid-So. Util.	169,300	15⅛	+⅛
Con. Edison NY	158,600	24	+⅛
Ford Motor	154,400	41⅛	−⅛
Fluor	147,100	31⅞	+1⅛
Boeing	141,400	70⅜	−1⅜
Nabisco	141,400	25⅜	−⅛

EUROPE

AMSTERDAM

Dec. 8	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl. 20)	111.5	+1.5	18	6.0
Akzo (Fl. 20)	28.6		—	—
Algem Bank(Fl.100)	369	−2	A25½	6.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BRUSSELS/LUXEMBOURG

Dec. 8	Price Frs.	+ or −	Div. Frs. Net	Yld. %
Arbed	2,175	−20	—	—
Bekaert "B"	2,485	+25	115	4.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SPAIN ♥

[illegible]

COPENHAGEN ♣

[illegible]

VIENNA

[illegible]

GERMANY ♦

[illegible]

STOCKHOLM

[illegible]

SWITZERLAND ♦

[illegible]

MILAN

[illegible]

OSLO

[illegible]

PARIS

[illegible]

TOKYO ¶

[illegible]

Source Nikko Securities, Tokyo

BRAZIL

[illegible]

Turnover Cr [illegible] Volume [illegible]. Source: Rio de Janeiro SE.

HONG KONG

[illegible]

xd Ex-dividend. † Buyer. ‡ Seller. Susp. Suspended.

AUSTRALIA

[illegible]

JOHANNESBURG

MINES

[illegible]

INDUSTRIALS

[illegible]

Securities Rand U.S.$0.65

(Discount of 44%)

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax. [illegible]

WALL STREET

NEW YORK

1978 High	1978 Low	Stock	Dec. 8
39	25	Abbott Labs	34¾
64½	45⅛	Corning Glass	56¾
54½	42¼	CPC Int'rnt'n'al	50⅛
36½	23½	Crane	24⅛
30	21⅛	Crocker Natl	24⅞
34⅛	23	John-Manville	22¾
68½	66	Johnson Johnson	75½
35½	22¼	Johnson Control	23⅛
58⅛	27¾	Joy Manufactur'g	30
58½	38	Revlon	55
39¾	25¼	Reynolds Metals	34⅛
64	52¼	Reynolds R. J.	58¾
30⅝	20	Rich'son Merrell	23⅛
[illegible]	[illegible]	[illegible]	[illegible]

CANADA

[illegible]

† Bid. ‡ Asked. § Traded. ¶ New Stock.

INTERNATIONAL CAPITAL MARKETS

INTERNATIONAL BONDS — BY FRANCIS GHILES AND JOHN EVANS

High yields bring mixed reaction

IN A CONTINUED revival in primary market activity, three new dollar-denominated bond issues were announced at the weekend. A further offering, in the form of a large floating rate note for a European bank, is expected this week.

While there is widespread relief that the new straight-debt dollar sector is in action again, after being reopened recently by the Norsk Hydro issue, the high yields on this week-end's offerings were leading to mixed reactions among analysts over the possible impact on secondary market prices.

After a week in which the Eurodollar bond market had refused to move down in line with the weakening U.S. bond market, there was some concern that the new issues might at the least prompt some switching out of existing dollar bonds.

The most interesting issue, which carries a split coupon and a split maturity, is that of $50m for the European Coal and Steel Community being arranged by S. G. Warburg. The coupon for the first five years of the bond's life, during which no sinking fund will operate, is indicated at 9¼ per cent. It will then fall to 9 per cent for the final 15 years during which a sinking fund will operate.

There will be no redemption option for the lenders and the bonds will yield 9.32 per cent to redemption. Commission fees are 2¼ per cent and the selling group discount is the usual 1½ per cent.

First reactions in the market were cautious but by no means wholly negative. If, as a number of banks believe, there are funds prepared to be committed long-term and which can be offered attractive yields for the shorter term, then this issue could prove attractive. The question is: will the 9.32 per cent average yield offered by the ECSC bond prove attractive?

Another rare animal, a dollar-denominated bond convertible into Swiss equity was announced by UBS (Securities) for BBC Brown Boveri Finance (Curacao), a subsidiary of the Swiss industrial group. Eighty thousand bonds with an indicated coupon of 4¼ per cent and a conversion premim not exceeding 10 per cent will be convertible, from July 1, 1979 until maturity into Brown Boveri bearer participation certificates. The initial rate of conversion is five participation certificates for each bond.

Based on the current price of the certificates on the Zurich Stock Exchange of SwFr 319 each, plus the conversion element, the value of each bond is around $1,000. The bonds carry the guarantee of the parent company.

This offering should prove popular, particularly with the incentive provided by the ultimate acquisition of Swiss shares.

The purchase by foreigners of Swiss franc-denominated equities is still restricted and similar Swiss convertible issues are becoming an established method for foreign investors to move into Swiss equities.

UBS (Securities) has also completed a $25m private placement for the European Investment Bank. A purchase fund will operate during the first seven years, which reduces the average life of the bonds to nine and a half years. With a coupon of 9¼ per cent and a price of 99½, the yield to maturity of 9.41 per cent for retail investors which rises to 9.61 per cent if the selling group discount is taken into account compares favourably with returns on both the Norsk Hydro and the new ECSC issues.

The secondary market, for its part, remains volatile; prices moved up until Thursday, when a sharp technical correction occurred. Institutional investors are still, by and large, sitting on the fence.

Some selective chasing of high-coupon intermediate quality bonds notwithstanding, many bonds were bid up to what some analysts described as grossly over-valued levels, reflecting continuing hectic professional short-covering activity. This led a number of participants to suggest that a string of new dollar issues soon would help mop up the excess liquidity which has built up since September and assist the market in adjusting to more realistic yield levels. The strength of demand for the new ECSC issue could help to answer some of these questions.

The Deutsche Mark sector also witnessed some readjusting of yield levels, and the week proved somewhat accident prone, at least for some banks. The better than expected coupons offered by Deutsche Bank on the Brazil and Oesterreichische Kontrollbank issues, announced the week before last, proved attractive to investors: demand for the first one is believed to be very good, while the second issue was priced at par and a half, a level at which it remained in early trading.

These higher coupons led to the cancellation of an issue for an Asian borrower which Dresdner Bank was due to announce last Thursday; apparently the borrower refused to accept a coupon higher than that indicated by the lead manager a few weeks before. Westdeutsche Landesbank put off an issue last Monday, apparently for the same reason, but seems to have been successful in convincing the borrower, Union Bank of Finland, that better terms for the investor were a prerequisite for a successful issue. Meanwhile the bank has cancelled a DM 75m issue which was expected today for another Scandinavian borrower. The issues for New Zealand announced by Commerzbank, and for Nordic Investment Bank through Deutsche Bank, both carry terms in line with the higher yield levels.

The Japanese convertible sector has also been facing rougher weather. The Sharp convertible cannot be called a success and many bankers will be relieved to hear that the coupon on the convertible for Omron Tateisi Electronics is 3¾ per cent, a quarter of a point above the recent norm.

In the Kuwaiti dinar sector, the issue for the City of Oslo was more than three times over subscribed and the success of this first-ever triple A borrower should help dispel the suspicion that only borrowers with less than perfect credentials find it necessary to tap this sector. It was priced at par after the coupon had been reduced by ⅛ per cent to 7⅝ per cent.

The City of Oslo issue was being quoted at the end of last week at 99½-100. The next bond in this sector is a KD5m ten-year issue for the Industrial Bank of Finland.

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
‡††Mizrahi Int.	10	1983	—	6¾‖	100	Mizrahi Bank	6.86‖
‡Norsk Hydro	50	1994	11	9¼	99	Hambros Bank	9.38
†Privredna Banka Zagreb	50	1986	5.75	8‖	100	Crédit Lyonnais	8.16‖
†Nippon Credit Bank Finance NY	30	1985	7	5¼‖	100	Morgan Stanley	5.58‖
†Banque Nationale d'Algerie	25	1985	7	7½‖	100	Nomura	7.64‖
‡**EIB	25	1991	9.5	9¼	99½	UBS Securities	9.415
§BBC Brown Boveri Finance	*	1993	—	4¼	*	UBS Securities	*
ECSC	50	1985/99	—	9¼/9	*	S. G. Warburg	*
D-MARKS							
‡§Tokyo Electric	40	1986	—	3½	100	Commerzbank	3.54
‡Oesterreichische Kontrollbank	100	1988	—	6¼	100½	Deutsche Bank	6.433
Brazil	100	1986	8	7¼	100	Deutsche Bank	7.25
Nordic Investment Bank	60	1985	—	6¼	99	Deutsche Bank	6.43
New Zealand	200	1986	8	6½	100	Commerzbank	6.25
§Omron Tateisi Electronics	50	1986	—	3¾	100	BHF-Bank	*
Union Bank of Finland	50	1988	8	6¼	*	WestLB	*
YEN							
†Philippines	15bn	1988	9	7	99.40	Daiwa	7.238
KUWAITI DINARS							
‡City of Oslo	10	1990	8.1	7⅝	100	KIIC	7.625
Ind. Bank of Finland (g'teed Finland)	5	1989	—	7¾	*	KIC	*
SWISS FRANCS							
‡Council of Europe	100	1990	n.a.	4½	100	Banca del Gottardo	4.5

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. ‖ Minimum. § Convertible
†† Registered with U.S. Securities and Exchange Commission. ¶ Purchase fund.
Note: Yields are calculated on AIBD basis.

U.S. BONDS — BY STEWART FLEMING

Sorting out the trends

CONFLICTING TRENDS in the Eurodollar bond market and the U.S. domestic bond market have been puzzling traders in both markets during the past week.

While Eurobond prices in the dollar sector have generally firmed, the trend in New York has been towards declining prices in both the treasury and corporate sectors through most of the week with prices ending at best mixed after some firming late on Friday.

The underlying tone in New York has not been optimistic either. A number of new issues in the corporate and Government agency sector have received a lukewarm response.

This contrast with Europe caused Kidder Peabody to remark in its weekly letter that the Eurobond market is simply making the wrong move. This may or may not prove to be a correct forecast. But, dealers who know both markets argue that among the factors which may help to account for the divergent trends are the extent to which different investors participate in each market and the varying weights these different participants give to similar factors influencing their decisions.

Thus one dealer pointed out, for example, that while long-term investors, who are matching long-term dollar liabilities are leading participants in the New York market, their investment objectives may cause them to pay less attention to currency trends than Eurobond market participants.

A subsidiary point, he suggested, was that dollar bond prices performed more erratically than New York bond prices at the end of October and early November, at the time of President Carter's announcement of a support package for the dollar. There is thus an element of recovery in the firmer Eurobond market, he claimed.

Because of the shorter maturity range in Europe, the market may also be drawing more encouragement from the signs that the Federal Reserve seems to have stabilised its monetary policy for the moment.

The Fed has given several signals through its open market operations that the current weekly average federal funds target is around 9¾ per cent.

Outside the treasury bill sector, there has also been some easing of short-term money market interest rates in the U.S. over the past four weeks

In New York, however, there is considerable scepticism about the suggestion that any significant easing in short term rates is on the horizon. Some money market economists are not reassured by the most recent batch of economic indicators.

BONDTRADE INDEX AND YIELD

	December 8		December 1		1978 High	1978 Low
Medium term ...	96.51	8.40	96.22	8.47	98.81 (19/4)	94.72 (30/10)
Long term	91.20	9.09	90.75	9.20	94.07 (19/4)	89.03 (30/10)

EUROBOND TURNOVER
(nominal value in $m)

	U.S. dollar bonds last week	U.S. dollar bonds previous week	Other bonds last week	Other bonds previous week
Euroclear	1,283.1	1,174.4	322.1	263.0
Cedel	354.2	393.7	373.8	510.1

INTERNATIONAL SECURITIES

Selling Eurobonds to U.S. investors

BY NICHOLAS COLCHESTER

WHEN, under U.S. securities law, can a U.S. investor be sold unregistered international securities? Two developments have given this question an added relevance in recent months. First, the dwindling status of the dollar has encouraged U.S. investors to put a little of their money into securities denominated in currencies other than the dollar. Second, a number of major American banks have recently decided to step up their activities in both the primary and secondary areas of the international bond market.

It is firmly established that new issues of securities not registered with the Securities and Exchange Commission may not be sold "directly or indirectly in the U.S. or to nationals, citizens or residents thereof, or to persons normally resident therein," as most prospectuses point out. The only exception is by private placement. It is, however, permissible to sell U.S. investors unregistered securities whose primary distribution is complete—that is, in the secondary market. The problem lies in defining when this moment has arrived in a market whose professionals are all too often stocked with the remnants of past-underwriting.

Experts on security law cite various rules as to the amount of time that must pass before an unregistered security can be resold to a U.S. investor without a visit from the SEC. The first rule is the "lock-up period" of 90 days. This is a rule established in "no action letters" from the SEC to the securities industry. It implies that U.S. debt instruments issued in the Eurobond market by U.S. issuers, their subsidiaries, or by Canadian issuers may not be made available to U.S. investors until 90 days after the completion of primary distribution. This moment should be certified by the lead manager—something of a responsibility—and he should declare it only after he has received telexes from syndicate members confirming that their allotments have been sold.

Beyond this, a "nine-month rule" has also become established practice which offers more general protection in the case of incomplete primary distribution and for a wider variety of issuers. The gist of this is that U.S. investors may be offered unregistered bonds in the secondary market (note that the onus is always on the seller rather than the purchaser) nine months after an issue has closed.

There is another tricky catch on the extent to which the Eurobond secondary market can be extended to U.S. investors. Under the 1934 Securities Act, any security which acquires more than 500 holders in the U.S. must be registered with the SEC. Failure to do this makes not only the selling agent liable to pursuit by the SEC but also the issuing company. This constraint receives little publicity because 500 holders is quite a large number in the international bond market and because bearer bonds are hard to trace. But it presumably could deter a brokerage house from starting a large-scale campaign to interest U.S. investors in the attractions of the international bond market.

The other way in which international, unregistered bonds can reach U.S. citizens is through private placement—a route which is of particular value to U.S. banks increasing their presence in the international bond market. The rule here, enshrined in a so-called SEC "safeharbour clause," is that unregistered securities may be privately sold to a maximum of 35 investors, that those investors should be "sophisticated" and that they have access to the same financial information about the issuer as would a public subscriber to a registered bond issue. In practice, issuers of high standing can get away with unregistered issues to 100 or more subscribers. They should get counsel's opinion for this, and investors will need similar legal guidance to resell such securities to another "sophisticated" investor.

EURO-MARK LOANS — BY MARY CAMPBELL

Multi-currency lending

LAST WEEK's decision to go ahead with the European Monetary Ssystem (EMS) inevitably raises the question of the extent to which the importance of the Deutsche Mark will grow relative to that of the dollar in private sector Euromarket business. Already the D-Mark has established a primacy in the fixed-rate international bond market (figures for international dollar bonds have been held up by a large volume of floating rate note issues). Although fixed-rate dollar bond business will doubtless recover when dollar interest rates have fallen back, the D-Mark is unlikely to recede to the levels of the early 1970s.

What is as yet by no means clear is how important it will become

The growing importance of the D-Mark in international lending has been a perceptible feature of the last couple of years. But to a considerable degree this may well reflect a change in the way the German banks finance German exports: from suppliers' credits to buyers' credits. From the point of view of the German and international banking system, suppliers' credits are internal German loans while buyers' credits are external German bank loans.

For non-German banks a key question is the extent to which D-Mark syndicated loans, and particularly D-Mark floating rate syndicated loans, have been growing and are likely to grow. This year has seen a big increase in this business but from a small base. At least two big floating rate loans (DM400m for Denmark and DM500m for Mexico) have been arranged and Deutsche Bank is understood to be working on a third of similar dimensions.

However, the business is still too small for it to be clear whether these loans are isolated examples or the beginning of a trend.

Perhaps the best index of whether borrowers would like to increase their D-Mark floating rate borrowing is the extent to which the multicurrency clauses which feature in a large number of dollar medium-term syndicated loan agreements have been activated. In this context, multicurrency clauses are the clauses which allow borrowers to change the currency in which the loan is denominated at any rollover date. Substantial activation of these clauses by borrowers would suggest an increasing demand for floating rate D-marks.

The trouble is that reports from German and other banks on this question are completely conflicting. For example one big German bank said last week that sophisticated borrowers like corporate treasurers and some Government borrowers have been prompted to switch by the wide differential between Eurodollar and Euro-mark or Euro-Swiss franc interest rates (differentials which at the three-month maturity are currently 7½ percentage points in the case of the Deutsche Mark and 11 percentage points in the case of the Swiss franc). Such borrowers were clearly assuming that the interest rate differential more than outweighed the currency risk.

Another top German bank, however, said that it had not perceived any such switch.

A final element in the situation has been the easy availability of fixed rate D-Marks recently. These borrowers who wanted to shift to low interest D-Marks might well argue that it is better to have sought to lock-in low rates by going for fixed-rate money either in the form of bonds or fixed-rate loans. If the present pick-up in economic activity in Germany continues, then fixed-rate funds may be expected to become less easily available to German banks and indirectly to their foreign customers.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Bondtrade; Kredietbank NV; Credit Commercial de France; Credit Lyonnais; E. F. Hutton Services SARL; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Banque Francaise de Credit Internationale; Citicorp International Bank; Daiwa Europe NV; Deltec Trading Company; Dillon, Read Overseas Corporation; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Hill Samuel and Co.; Kidder Peabody International; Merrill Lynch; Morgan Stanley International; Nesbitt Thomson; Salomon Bros. International; Samuel Montagu and Co.; Scandinavian Bank; Strauss Turnbull and Co.; Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

Closing prices on December 8

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

FLOATING RATE NOTES	Spread	Bid	Offer	C.date	C.cpn	C.yld
[illegible]						

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
[illegible]						

* No information available—previous day's price. † Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. M=Minimum coupon. C.date=Date next coupon becomes effective. Spread=Margin above six-month offered rate for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

APPOINTMENTS

Associated Engineering moves

ASSOCIATED ENGINEERING GROUP has made the following *changes in member companies*—Mr. D. J. Allday becomes managing director of Brico Engineering. He was previously managing director of AE Auto Parts. Following this appointment, Mr. W. J. Hepworth will relinquish the managing directorship of Brico Engineering, but will remain as chairman.

Mr. M. M. Jackson is made managing director of AE Auto Parts. He joins from the Lucas Group where he was world marketing manager of the Lucas Electrical Company. Mr. R. *Richardson becomes financial* director. He has been secretary of AE Auto Parts since 1972.

Mr. H. Wahlstrom is appointed a director of Edmunds Walker and Co., the management company which controls the AE Group's European distribution operations. Mr. Wahlstrom is also appointed executive director responsible for the distribution companies in Austria, Portugal and Sweden. He continues to be managing director of the Swedish company Auto-Products AB.

At Cannon and Stokes Mr. B. *Hanson becomes financial director* and secretary.

★

KEYSER ULLMANN SECURITIES announces that Mr. M. Bull has been appointed a director.

★

Mr. G. B. N. Gellatly has been appointed to the Board of TELEPHONE RENTALS as financial director.

★

Mr. Peter Burch has been appointed to the Board of the London-based JAMES McNAUGHTON PAPER GROUP, which is claimed to be Britain's fastest-growing firm of paper merchants. He is currently managing director of its Bristol-based subsidiary McNaughton Paper Western.

★

Mr. Mark Abbott has left EMI after eight years to join LESNEY INTERNATIONAL, toy manufacturers and distributors. Mr. Abbott, who was *general manager* of the EMI Records (UK) international division before moving on to run EMI music companies in Belgium and France, joins Lesney as a director of the company, and chief executive of its European subsidiaries.

★

Mr. L. Key Campbell has been made vice president/operations, Athens branch, and Mr. Dee Williams, vice president/operations, Amsterdam branch, of the BANK OF AMERICA. Mr. Mohammed Bengali has been *promoted to assistant vice president*, Manama branch, Mr. L. Thomas Bolmgren to assistant vice president, Scandinavian representative office, and Mr. John Laws to assistant vice president, Manchester branch.

★

The ELECTRONIC ENGINEERING ASSOCIATION has appointed Mr. Paul M. Webster as deputy director contracts and secretary of the association. He succeeds Mr. A. S. Marshall who is retiring after 20 years' service.

★

Viscount Slim has been appointed chairman of THE BRITAIN-AUSTRALIA SOCIETY in succession to Lord Carrington.

★

Mr. George M. Grace, a vice president in international banking, is to be transferred to the CHASE MANHATTAN BANK'S office in Moscow. His most recent *assignment* was in London as institutional banking representative for the UK, Channel Islands and Republic of Ireland. His previous responsibilities included credit and marketing for Western Europe, the south-eastern district of the United States and the New York City district.

★

Mr. David Jolly, Mr. Terence Voyce, and Mr. Gerald Whitehouse, have been appointed directors of BOFORS (GREAT BRITAIN) COMPANY. Mr. Whitehouse continues as company secretary.

★

The SWISS REINSURANCE COMPANY has appointed Mr. Derek Fraser as group consultant in London from January 1. He will be responsible for technical coordination and studies on major international projects.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial *engagements during the week.* The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last year's timetable.

TODAY

COMPANY MEETINGS—
Glaxo, Park Lane Hotel, W., 12
Green (R.) Props., Bedford Hotel, Brighton, 5.30
J.C.E.G., Pinewood Hotel, Handforth, Wilmslow, Cheshire, 3
Linread, 75, Harborne Road, Birmingham, 12
Lucas Inds., Birmingham Metropole Hotel, N.E.C., Birmingham, 12
Sumpton-Perkins, U.C.M. House, 35 Swallow Place, W., 11
Turner Curzon, Claverdel Hotel, Guildford, 12
United City Merchants, Hilton Hotel, Park Lane, W., 12

BOARD MEETINGS—
Finals:
Blyvooruitzicht
Durban Deep
East Rand Proprietary Mines
Management Agency and Music
Martin the Newsagent
Spratt (C.A.)
Interims:
Barker and Dobson
Brown (N.) Invests.
Cardo Eng.
May and Hassell
Preedy (Alfred)
Premier Cons. Oilfields
Prop. Hldg. and Inv. Trust
Rowlinson Cons.
St. George's Laundry (Worcester)
South Crofty
Toothill (R.W.)
Whitecroft

DIVIDEND & INTEREST PAYMENTS—
Asarco Inc., 10 cts.
Chorley 11pc Bds. Red. 11/6/80, 5½ pc
City and Intnl. Tst. 3.2p
City of Oxford Invst. Tst., 1.25p
Cole (R. H.), 1.85p
Provincial Bank, 4.5 cts.
Henderson (P. C.) Ord. A 1.7p
Hill (Philip) Inv. Tst., 2.75p
Inter-City Inv., 0.6p
Linread, 1.5p
Lowland Drapery, 0.932p
M.I.M., 6 cts.
Mobil Oil Cpn., 115 cts.
Newman-Tonks, 3.1535p
Scottish Ontario Inv., 0.75
Secs. Tst. of Scotland, 3p
Squibb Cpn., 27 cts.
Unicorn Inds., 2.2p (inc. supp. dist. of 0.0526p)
Usher-Walker 1.2827p
Walker and Holmer, 0.45p
Yorkgreen Inv., 0.335p

TOMORROW

COMPANY MEETINGS—
Cedar Inv. Tst., Winchester House, 77, London Wall, E.C., 12
Dhamal, 17, Melville St., Edinburgh, 12
Gomme, Spring Gardens, High Wycombe, Bucks., 11
Lidstone, 61, West Smithfield, E.C., 12
Salepuard Ind. Invs., 87, Eaton Place S.W., 12

BOARD MEETINGS—
Finals:
Archimedes Inv. Trust
Baggeridge Brick
Borthwick (Thomas)
Dolson
Dobson Park Inds.
E. Driefontein Gold
Habit Precision Eng.
Pyke (W.J.)
Ransome Hoffmann Pollard
Redfearn Nat. Glass
Trafalgar House
Utd. Spring and Steel
Vlakfontein Gold
Wolverhampton *Dudley Breweries*
Interims:
Audiotronic
Beechwood Cons.
Chapman (Balham)
Doornfontein
Geevor Tin Mines
Imperial Continental Gas
Kloof Gold
Latham (James)
Libanon Gold
Meyer (Montague L.)
Moorgate Inv.
Standard Chartered Bank
Sterling Inds.
Venterspost Gold
Ward and Goldstone
W. Driefontein Gold
Wilson Bros.

DIVIDEND & INTEREST PAYMENTS—
Foster Bros. Clothing, 1.593750 (inc. supp. dist. of 0.02740p)
Hewden-Stewart Plant, 0.45p
House of Lerose, 1.83p
Lidstone, 1.05p, 6pc Ptg. Prefd. 5.6pc
Pritchard Services 0.66064p (inc. supp. dist. of 0.01375p)
Tenneco Inc., 55 cts.

WEDNESDAY DECEMBER 13

COMPANY MEETINGS—
Caskets (S.) Midland Hotel, Manchester, 12.30
Elecco Gt. Eastern Hotel, E.C., 12
London and Prov. Shop Centres, 28, South St., W., 3
Low (Wm.), Baird Ave., Dryburgh Ind. Est., Dundee, 12
Maledie Ins., Plantation House, 10-15, Mincing Lane, E.C., 12.30
North Atlantic Secs. Cpn., Bucklesbury House, 3, Queen Victoria St., E.C., 2.45
Smiths Inds., Reg. Office, Cricklewood, N.W., 12
Town Centre Secs., Town Centre Hse., Merrion Centre, Leeds, 12
Wood Hall Tst., Winchester Hse., 100 Old Broad St., E.C., 11.30

BOARD MEETINGS—
Finals:
Caravans Intl.
Combair
Dubilier
Lee (Arthur)
Saatchi and Saatchi
Serck
Trans-Oceanic Trust
Whessoe
Interims:
Braithwaite
Bulmer (H.P.)
Deritend Stamping
Guthrie
L.R.C. Intl.
London Merchant Secs.
Russell Bros. (Paddington)
Warnford Invs.
Wyndham Eng.

DIVIDEND & INTEREST PAYMENTS—
Angus 8¼pc Bds. Red. 13/12/78, £4.2606
Bedfordshire 8¼pc Bds. Red. 13/12/78, £4.2606
B'ham. 8¼pc Bds. Red. 13/12/78, £4.2606
Casket (S.) 1.35p
Cedar Invst. Tst., 1.75p
Cpn. of London 8¼pc Bds. Red. 13/12/78, £4.2606
Crewe and Nantwich 8¼pc Bds. Red. 13/12/78 £4.2606
Flight Refuelling, 1.4p
Harborough 8¼pc Bds. Red. 13/12/78, £4.2606
Hoveringham Ord. and Rest-V Ord., 0.6875p
Lambeth 8¼pc Bds. Red. 13/12/78, £4.2606
Lancashire 8¼pc Bds. Red. 13/12/78, £4.2606
London 8¼pc Bds. Red. 13/12/78, £4.2606
Mansfield 8¼pc Bds. Red. 13/12/78, £4.2606
Motherwell 8¼pc Bds. Red. 13/12/78, £4.2606
Oldham 8¼pc Bds. Red. 13/12/78, £4.2606
Shiloh Spinners, 0.73p
S. Bedfordshire 8¼pc Bds. Red. 13/12/78, £4.2606
Swansea 8¼pc Bds. Red. 13/12/78, £4.2606
W. Norfolk 8¼pc Bds. Red. 13/12/78, £4.2606

THURSDAY DECEMBER 14

COMPANY MEETINGS—
Amalg. Stores, 42, Portman Square, W., 12
Anglo Scottish Invst. Tst., 2, St. Mary Axe, E.C., 11.15
Arenson (A.), Lincoln Hse., Colney St., St. Albans, Herts., 12.30
Audio Fidelity, Queens Hotel, City Sq., Leeds, 10
Bridgewater Invst. Tst., Cadogan Hotel, 75, Sloane St., S.W., 4.30
Cope Allman Intnl., R.A.C., Pall Mall, S.W., 11
Customagic Manf., Customagic Hse., Whitworth St., Openshaw, Manchester, 2.30
EMI, Tower Hotel, St. Katharine's Way, E.C., 11.30
L.W.T., S. Bank Television Centre, Kent House, S.W., 12.30
London Shop Prop. Tst., Connaught Rooms, Great Queen St., W.1, 12
Manganese Bronze, 1, Love Lane, E.C., 12
McKechnie Bros. Midland Hotel, B'ham., 12
Thorpe (F. W.) 75, Harborne Road, Birmingham, 3.15

BOARD MEETINGS—
Finals:
Associated Eng.
Bass Charrington
Burco Dean
Burton Group
Hawkins and Tipson
I.C.L.
Lloyds and Scottish
Marley
Mitchell Somers
Nottingham Brick
Stenhouse
Vaux Breweries
Interims:
Associated Communications
Distillers
Dom Hldgs.
Heywood Williams
Phoenix Timber
Saint Piran
Scottish Homes Inv.
Traffords Carpets
Utd. Gas Inds.
Wilkinson Match
Wood (S.W.)

DIVIDEND & INTEREST PAYMENTS—
Agricultural 10¼pc Db. 92-95 5⅛pc
Banff and Buchan 12pc Bds. Red. 9/6/82, 6pc
Barnsley 9½pc Bds. Red. 20/6/79, 4¾pc
Beaconsfield 9½pc Bds. Red. 20/6/79, 4¾pc
British Car Auction, 1.8525p
Castle Point 10½pc Bds. Red. 9/12/81, 4¾pc
Cherwell 9½pc Bds. Red. 20/6/79, 4¾pc
Continental Oil, 37½ cts.
Cyngor Dosbarth Dwyfor 9½pc Bds. Red. 23/6/79, 4¾pc
Cynon Valley 9½pc Bds. Red. 20/6/79, 4¾pc
Dhamal, 4pc
Dudley 9½pc Bds. Red. 20/6/79, 4¾pc
Dundee 9½pc Bds. Red. 20/6/79, 4¾pc
Glasgow 9½pc Bds. Red. 20/6/79, 4¾pc
Greater Manchester Passenger Transport Executive 9½pc Bds. Red. 20/6/79 4¾pc
Hawker Marris, 1.97p
Highland 9½pc Bds. Red. 20/6/79, 4¾pc
Kensington and Chelsea 9½pc Bds. Red. 20/6/79, 4¾pc
Kyle and Carrick 10½pc Bds. Red. 9/12/81, 5¼pc
Leeds 9½pc Bds. Red. 20/6/79, 4¾pc
Liverpool 9½pc Bds. Red. 20/6/79, 4¾pc
Lliw Valley 9pc Bds. Red. 12/12/79, 4½pc
London Shop Prop. Tst., 2.1483p
Luton Var. Rat Bds. Red. 18/6/83, £5.4500
Lyons (J.) Redemption of 8½pc Ln. 88 at 103pc plus accrued interest
Medway Var. Rate Bds. Red. 18/6/83, £5.4500
N. Atlantic Secs. Cpn., 1.87p
Norwich 9½pc Bds. Red. 20/6/79, 4¾pc
Portsmouth 10½pc Bds. Red. 10/12/80, 5¼pc
Readicut Intl. 0.52871p
Rhondda 9½pc Bds. Red. 20/6/79, 4¾pc
Rhymney Valley 10½pc Bds. Red. 10/12/80, 5¼pc
Riverview Rubber Ests. Berhad, 5 cts.
Ropner Ord. A. 1.1896p

DIVIDEND & INTEREST PAYMENTS—
Solihull 9½pc Bds. Red. 20/6/79, 4¾pc
Strathclyde Var. Rate Bds. Red. 6/6/83, £5.4500
Thamesdown Var. Rate Bds. Red. 8/12/82, £5.4500
Torfaen 10½pc Bds. Red. 8/12/82, 5¼pc
Tower Hamlets 9½pc Bds. Red. 20/6/79, 4¾pc
Warwick 9½pc Bds. Red. 20/6/79, 4¾pc
Wear Valley 10½pc Bds. Red. 8/12/82, 5¼pc
Westminster Var. Rate Bds. Red. 8/12/82, £5.4500
Wood Hall Tst. 5.405p

FRIDAY DECEMBER 15

COMPANY MEETINGS—
Anglo-Argentine Tramways, 8, St. Bride St., E.C., 12.30
Beazer (C. H.), 2, Midland Bridge Road, Bath, 12
Common Bros., Barnburgh Hse., Market St., Newcastle upon Tyne, 10
Electronic Machine, Winchester House, 100 Old Broad St., E.C., 12
Hay and Robertson, St. Margaret's Works, Dunfermline, Fife, 2.30
Hepworth (J.), Queens Hotel, Leeds, 11.15
Lowland Inv., 11, Austin Friars, E.C., 2.30
Pearce (C. H.), Parklands, Stoke Gifford, Bristol, 12.30
Talbex, Charing Cross Hotel, Strand, W.C., 12
W. Ribbons, Elizabeth Suite, Barrington *House, Gresham St., E.C.*, 12
Wolseley Hughes Vines Lane, Droitwich Worcs., 12.30

BOARD MEETINGS—
Finals:
Carr's Milling
First Union General Inv. Trust
Guinness (Arthur)
Harris and Hansons
Hunslet
Utd. Scientific
Interims:
Bell and Sime
Cahyns
Greene King
Initial Secs.
Kennedy Smale
Norcros
Normand Elec.

DIVIDEND & INTEREST PAYMENTS—
AECI 5½pc Pf. 2.75p
Allied Irish Banks, 3.5p
Ambrose Inv. Tst., 2.2p
Antigua 6pc 77-80, 3pc
Ayrshire Metal Prods., 1.7445p (inc. sup. dist. of 0.0336p)
BOC Intnl. Debs., 4½ (85), 4½ (90) pc
Bsichi Tin, 0.29185p
Blackwood Hodge 0.96777p
Bradford 11¼pc Bds. Red. 13/6/79, 5⅝pc
Bright (John) Ord., 0.95p
British-Borneo Pet. Synd. 2.576p (inc. sup. dist. of 0.068p)
Brown Boveri Kent, 1p
Cedar Inv. Tst. Db. 2½pc
Celanese Cpn., 75 cts.
Chesebrough-Ponds, 23½ cts.
Cocksedge, 0.8825p
Continental Group, 55 cts.
Cummins Eng., 45 cts.
Dana Cpn., 34 cts.
Dover Cpn., 35 cts.
Duport, 2.07615p (inc. supp. dist. of 0.04047p)
E. Africa High Commission (Ports and Telecoms) 5½pc 1977-83 2¾
Elmbridge 12¼pc Bds. Red. 11/6/80, 6⅛pc
Emhart Cpn. 55 cts.
Gill and Duffus Ord., 2.3p
Gillingham 11¼pc Bds. Red. 13/6/79, 5⅝pc
Greatermans Stores Ord A, 15 cts.
Greek 5pc 1890 (Piraeus-Larissa Rly.) 2½pc. Do. Stg. Fdg. Bds. 1965, 2½pc
Guardian Inv. Tst., 0.9p. Do. Db., 2 (73-83) pc
Guardian Royal Exchange Assnc. Ln., 3½ pc
Hambro Tst. 6pc Pf. 2.1 pc
Haringey 11¼pc Bds. Red. 13/6/79, 5⅝pc
Do. 12¼pc Bds. Red. 11/6/80, 6⅛pc
King and Shaxson Ord. 1.0362p
Investors Capital Tst. 5½pc Pf. 1.8375pc (inc. supp. dist. of 0.0362p). *Do. Ptg. Prefd. Ord.*, 1.71p. *Do. 5pc 2nd Pref.*, 1.75p
L.W.T. A Ord. N.V., 5.727p
Langbaurgh 12¼pc Bds. Red. 11/6/80, 6⅛pc
M. and G. Midland and General Tst. Pd., 4.629p
New Zealand 7½pc 83-86, 3¾pc
Nictheroy 7pc Gntd. Bds. (Plan A interest new 2¼pc), 3½pc
O.K. Bazaars (1929), 19 cts.
Owens-Illinois Inc., 29 cts.
Ranks Hovis McDougall Ln., 3⁹⁄₁₆ cts.
Reliance Grp. 40 cts.
Rio de Janeiro 7pc Stg. Ln. 1927 (Plan A 2¼pc), 3½pc
Safeguard Ind. Invst., 3pc
St. Lawrence and Ottawa Railway 4pc Stg. 1st Bds., 2pc
Sandwell 13pc Red. 1982, 6½pc
Scottish European Inv., 0.4p
Scottish Heritable Tst. 0.476p
Seagram 20 cts.
Singer, 20 cts.
Slough 8½pc Red. 79-80, 4¼pc
Sunderland 12¼pc Red. 1984, 6⅛pc
THW Inc., 45 cts.
Taylor, Pallister, 1.5p
Thorpe (F. W.), 0.97p
Time Inc. 37.5 cts.
Treasury Ln. 8¼pc 87-90, 4⅛ pc
Treasury 3½pc 77-80, 1¾pc
United Biscuits Debs. 3¾, 4 pc
Westpool Inv. Tst., 1.2p
Whittington Eng., 1.675p
Witan Inv. Deb., 2¾ pc
Ynys Mon-Isle of Anglesey 11¼pc Bds. Red. 13/6/79, 5⅝pc

SATURDAY DECEMBER 16

DIVIDEND & INTEREST PAYMENTS—
Leicester Floating Rate 1982, £5.5625
Oceana 5pc Pref., 2.1 pc
United Biscuits Ln., 2¼ pc

SUNDAY DECEMBER 17

DIVIDEND & INTEREST PAYMENTS—
Holt Lloyd Intnl., 3.5p

The week in Parliament

TODAY

COMMONS—Private Member's motion on Government oil policies. Motions on the *Appropriation* (No. 4) (Northern Ireland) Order and on the Shops (Northern Ireland) Order.

SELECT COMMITTEES — *Expenditure, Education, Arts and* Home Office sub-committee. Subject: Women and the Penal System. Witnesses: Boards of Visitors of certain women's *prisons/borstals*. (4.15 pm. Room 15.) Public Accounts Committee. Subject: Cash Limits. (5 p.m. Room 16.)

TOMORROW

COMMONS—Proceedings on the Consolidated Fund Bill.

LORDS—Agricultural Statistics Bill (consolidation measure). Electricity (Scotland) *Bill* (consolidation measure). Motions to approve European Assembly Constituencies (England) Order 1978, European Assembly Constituencies (Wales) Order 1978 and European Assembly Constituencies (Scotland) Order 1978. Arbitration Bill, second reading. Debate on the nation's failure to convince more young people that creative work in industry offers a vocational challenge.

SELECT COMMITTEE—Nationalised Industries, sub committee A. Subject: Follow-up of 4th report Session 1977-78. Witnesses: British Waterways Board. (4 pm Room 8.)

WEDNESDAY

COMMONS—Debate on the Government's fight against inflation. Motion on EEC documents on the European Monetary System *and on its implications for the* Common Agricultural Policy.

LORDS—Debate on the need for a National Council on gambling. Debate on the collapse of exploratory drilling on the UK Continental Shelf. Representation of the People (Armed Forces) Bill, second reading. Deer Bill, second reading. Debate on Anglo-American Chambers of Commerce.

SELECT COMMITTEES — Nationalised Industries, Sub-committee B. Subject: British Steel Corporation report and accounts. Witnesses: BSC. (10.45 am. Room 8). Science and Technology. Genetic Engineering Sub-committee. Subject: Public policy issues raised by recombinant DNA work. Witnesses: Genetic Manipulation Advisory Group. (10.30 am. Room 15). Overseas Development. Subject: UK aid to India. Witnesses: Ministry of Overseas Development. (4.30 pm. Room 6).

THURSDAY

COMMONS—Motions on the Rate Support Grant Orders, on the Social Security (Contributions) (Mariners) Amendment Regulations and on the St. Lucia Termination of Association Order.

LORDS—(at 11 am) Consolidated Fund Bill, all stages. Conservation of Wild Creatures and Wild Plants (Amendment) Bill, second reading. Suspected *Persons (Abolition) Bill, second* reading. Motions to approve St. Lucia Termination of Association Order, Shops (Northern Ireland) Order 1978, Appropria*tion (No. 4) (Northern Ireland)* (Emergency Provisions) Act 1978 (Continuance (No. 2) Order 1978, and Social Security (Contributions) (Mariners) Amendment *Regulations, 1978. Public Health* Service Laboratory Service Bill, committee. House adjourns for Christmas recess.

FRIDAY

COMMONS—Short debates on various topics before House adjourns for the Christmas recess.

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	Performance Car Show (01-686 7181) (until Dec. 17)	Alexandra Palace, N22
Dec 12—14........	Exhibition and Display System Fair—MODULEX *(Egham 6255)*	West Centre Hotel, SW6
Dec. 27—Jan. 7	Boys' and Girls' Exhibition (021-643 9281)	Bingley Hall, Birmingham
Jan. 3—14........	London International Boat Show (Weybridge 54511)	Earls Court
Jan. 4—13........	Model Engineer Exbn. (Hemel Hempstead 63841)	Wembley Conference Centre
Jan. 5.............	BCS 79—*Living with Computing* (01-637 0471)	Bloomsbury Centre Hotel, WC1
Jan. 6—14........	Racing and Sporting Motorcycle Show (01-226 7901)	Horticultural Halls, SW1
Jan. 7—10........	BFM Furniture Show (01-724 0851)	National Exhibition Centre, Birmingham
Jan. 7—11........	New Year Gifts, Jewellery and Leathergoods Trade Fair (061-969 3103)	Belle Vue, Manchester
Jan. 13—17........	International Toy Fair (01-226 6653)	Exhibition Centre, Harrogate
Jan. 14—17........	Stationery Industry Exhibition—STATINDEX (01-580 9256)	Grosvenor House, W1
Jan. 16—18	Micro-Electronics for the TV Industry—TV-MEX (01-486 1951)	National Exhibition Centre, Birmingham
Jan. 16—18........	International Domestic Electric Appliances Exbn. —IDEA (01-486 1951)	National Exhibition Centre, Birmingham
Jan. 23—25........	Amusement Trades Exhibition (01-228 4107)	Alexandra Palace, N22
Jan. 28—Feb. 1...	Lightshow 79 (0248-88 336)	Olympia
Jan. 30—Feb. 1...	Fancy Goods and Gift Trade Fair (041 334 9349)	Cumberland Hotel, W1

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Dec. 12—15	Amusement, Leisure and Fairground Equip. Exbn. FORAINEXPO/AMUSEXPO (01-486 1951)	Paris
Jan 8—11........	Hotel and Restaurant Industry Fair—HORECAVA (01-228 2880)	Amsterdam
Jan. 10—14........	*Home Furnishing Textile Fair (01-734 0543)*	*Frankfurt*
Jan. 18—21........	Intl. Trade Fair. Motor Workshop and Gasoline Station Equipment—AUTO-ZUM	Salzburg
Jan. 20—28........	International Boat Show—BOOT (01-409 0956)	Dusseldorf
Jan. 22—27........	International Audiovisual & Communications Show	Paris
Jan. 22—28	Tourism and Recreation Fair—VAKANTIE (01-486 1951)	Utrecht
Jan. 26—Feb. 4...	International Green Week (01-540 1101)	Berlin
Jan. 30—Feb. 4...	Holiday and Leisure Fair (Dublin 763385)	Dublin

BUSINESS AND MANAGEMENT CONFERENCES

Dec. 12.............	AGB: Graduate Selection Techniques (01-353 3651)	Education Institute, Bedford Way, WC1
Dec. 12.............	ABACUS: *Risk Reduction—Understanding Business* Contracts (Bourne 4471)	Kensington Palace Hotel, W8
Dec. 12—14........	IPM: Employment Law—for Management Advisers (01-387 2844)	Clive Hotel, NW3
Dec. 13.............	ESC: Company Law and the City (Uppingham 2711)	Kensington Palace Hotel, W8
Dec. 13—14........	Institute of Marine Engineers: Safety at Sea—International Symposium (Redhill 68611)	Mark Lane, EC3
Dec. 13—16........	International Association of Political Consultants Annual Conference (01-584 4356)	Hyde Park Hotel, SW1
Dec. 14.............	CALUS: A Current Review of the Taxation of Property (Reading 861101)	Mount Royal Hotel, W1
Dec. 14.............	OYEZ-IBC: Seminar—Restraining Commercial Piracy (01-242 2481)	Europa Hotel, W1
Dec. 14—15........	FT Conference: Inflation Accounting—the Planned Standard (01-236 4382)	London Hilton, W1
Dec. 15	Economic Models: Medium-term International Forecasts (01-839 2651)	30 Old Queen Street, SW1
Dec. 15.............	Legal Studies and Services/Oyez IBC: Medicine and the Law (01-242 2481)	Carlton Tower Hotel, SW1
Dec. 18—19........	BIOSS. What is Organisation Development? (Uxbridge 56461)	Brunel University, Uxbridge
Dec. 19—20........	LAMSAC: Project Co-ordination (Basic) Seminar (01-828 2333)	London Graduate School of Business Studies, NW1
Jan. 2—5	Reading University: Science Teachers' Conference (Reading 85123)	Reading University
Jan. 3—5	CALUS: Shopping Centre Management (Reading 861101)	New College, Oxford
Jan. 7—12........	BACIE: Producing Training Packages (01-636 5351)	Shillingford Bridge Hotel, Oxon.
Jan. 10—11	IPM: The Secretary in Personnel Management (01-387 2744)	Whites Hotel, W2
Jan. 11.............	AGB: Detection Devices (01-353 3651)	London venue disclosed when booking
Jan. 12.............	Leeds University: Transport and the Inner City (Leeds 35036)	Leeds University
Jan. 14—19........	RRG: Risk Management in Practice—Study Course (01-236 2175)	Tower Hotel, E1
Jan. 14—19........	IPM: Advanced Interviewing and Assessment Skills (01-387 2844)	Highgate House, Creaton, Northampton
Jan. 14—19........	Bradford University: *Group and Personal Effectiveness: Skill with People* (Bradford 42299)	Management Centre, Bradford
Jan. 15—16........	Philip Thorn Associates: Legal and Banking Environment for Foreign Banks in U.S. (Guildford 71986)	Cafe Royal, W1
Jan. 17—18........	ASM: Network Analysis Techniques for Planning and Controlling Projects (01-385 1992)	Piccadilly Hotel, W1

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FINANCIAL TIMES SURVEY

Monday December 11 1978

Sierra Leone

BASIC STATISTICS	
Area	27,925 sq miles
Population	3.47m
GNP (1976)	Le 603.5m
Per capita	Le 194.05144
Trade (1977):	
Imports	Le 206.20m
Exports	Le 128.14m
Imports from UK	£19.730m
Exports to UK	£40.058m
Currency	Leones: £1 = Le 2

Sierra Leone is at an important turning point, politically and economically. The past year has seen both the introduction of a one-party system of Government and a sharp deterioration in the country's financial position. Martin Dickson, Africa Correspondent, reports.

Nation faces a critical year

IT IS the end of an extraordinary year, politically and economically, in the usually quiet life of Sierra Leone: a year which has seen the introduction of a one-party system of government and a rapid worsening of the country's balance of payments.

Freetown, the steamy, sleepy capital, still displays its habitual backwater atmosphere of languid calm. It is the end of the rainy season and lush tropical vegetation sprouts everywhere—in gardens, in the streets and even in the cracked facades of decaying buildings.

In the mornings, neatly dressed schoolgirls in straw hats and blue tunics obediently line up for roll call. At lunchtime businessmen swap diamond dealing gossip in the Paramount Hotel. At night, there are cosmopolitan parties reflecting Sierra Leone's long tradition of intellectual sophistication.

The country's 3m population, who must be among the most charming in West Africa, retain their easy going ways. This is still a relatively happy country and, in an African context, relatively stable.

Yet behind the surface calm Sierra Leone is in the throes of what are probably its gravest financial difficulties since the nation gained independence from Britain in 1961.

The effects are only just beginning to reach the man in the street: at IMF insistence, the Government devalued its currency by 5 per cent recently and a much larger devaluation is still widely expected. Another article in this survey details the reasons for the economic difficulties, which ultimately stem from the Government's inability to cut its suit according to its cloth. Expenditure has been leaping ahead of revenue, and much of that expenditure is for the 1980 Organisation of African Unity conference to be held in Freetown.

Hosting the OAU summit is regarded as one of the highest points of President Siaka Stevens' political career.

But if expenditure is not curbed drastically in the next few months serious disequilibria could set into the economy sending it spiralling out of control and this, in turn, would have major political implications. Student demonstrations at the start of 1977 showed just how suddenly grievances can spring to the surface.

Ironic

It is ironic that the country's economic ailments should become so serious shortly after the introduction of a one-party system of government which—whatever one's views of the move—does seem to have reduced the level of political conflict, at least for the moment.

The idea of a one-party system is not new in Sierra Leone. It was proposed in the mid-1960s by the then ruling Sierra Leone People's Party (SLPP), led by Sir Albert Margai, and on that occasion was bitterly opposed by the opposition All People's Congress (APC), led by Siaka Stevens.

Since then, the rôles have been reversed: in 1975 it was Siaka Stevens, by now the President, who saw merit in a single-party system, while this was bitterly denounced by Mr. Salia Jusu Sheriff, the then leader of the SLPP opposition.

But it was only in the wake of the May 1977 General Elections that the Government began to talk with urgency about the introduction of a single-party constitution, even though this poll saw 15 SLPP candidates returned to Parliament after four years without representation in the 100-seat House.

Certainly, neither the 1973 nor 1977 elections could be called exercises in peaceful, multi-party democracy—there was considerable violence during the last campaign by supporters of both the APC and SLPP. As in 1973 numerous opposition candidates reported that they had been prevented physically from putting in their nomination papers. (47 APC members were returned unopposed).

President Stevens declared the time was now ripe to turn Sierra Leone's de facto one-party system into a de jure one and he set about demolishing the SLPP parliamentary opposition through a combination of blandishments and threats.

The seats of several SLPP MPs including Mr. Charles Margai, the son of Sir Albert, were declared vacant because the incumbents had been absent from the house for more than 30 days. They had been absent because they had been detained by the Government ever since the election.

In large measure, the Government's tactics succeeded. There was little public opposition, either from the SLPP or from the wider Sierra Leone community in May this year when the administration introduced a Bill to establish a one-party state.

The Government brushed aside Mr. Sheriff's argument that the 1971 constitution could only be scrapped by a two-thirds majority in two parliaments with a General Election in between. Instead, the Government tested opinion by calling a snap referendum in June which the SLPP claimed was rigged. Certainly official returns would suggest that the population of Sierra Leone had grown somewhat overnight.

Only two SLPP MPs, including Mr. Sheriff, stood out against the bill until it became law in mid-June and then, bowing to the inevitable, these two declared for the APC rather than losing their seats in Parliament.

The manner of its introduction apart, might the one-party system be in Sierra Leone's best interests? The Government argues with some justice that a multi-party system was thrust on the country by the departing British who had themselves ruled the territory autocratically and had not prepared the people for a Westminster model.

The preamble to the new constitution states that the multi-party system has continued to breed "disharmony, tribal animosities and military takeovers."

There is undoubtedly truth in this. The politics of Sierra Leone have divided very much on tribal lines, even though factional interests cut across this. The SLPP has always been strongest in the south and associated particularly with the Mende who make up about 30 per cent of the population. Similarly, the APC has been identified more with the northern tribes, especially the Temne, who make up 30 per cent of the population.

It was during the 1967 General Election that the death knell for multi-party democracy in Sierra Leone was probably first sounded: the SLPP was defeated but the army commander, apparently at the behest of Sir Albert Margai, intervened.

Shortly after, the commander was himself arrested by middle ranking officers who formed a military regime for a year until a counter-coup brought Siaka Stevens back to power. Essentially then, neither of the two parties has been willing to cede power gracefully via the ballot box.

Despite arguments in favour of a one-party system, there is still a substantial body of opinion in the south of the country which opposes the new constitution or merely acquiesced in its introduction.

Those people argue that for all its defects the multi-party system was better and at the very least a check on the abuse of office.

It is impossible to judge at this stage whether the one-party system will prove to be in the country's best interest. Much will depend on precisely how it will be worked.

For example the constitution provides for primary elections in each constituency, from which the two people who poll the most votes will go forward as candidates in the election proper. If worked fairly, this could allow representatives of genuine grass roots opinion to emerge. But the constitution also provides for the APC Central Committee to disqualify candidates if it considers their nomination "inimical to the interests of the state." This could allow the Government to pack Parliament with yes-men.

Protests

The latter could be a dangerous position in a country where power and wealth is concentrated in the hands of a small, cushioned elite.

The student demonstrations last year showed how popular grievances can be fanned into flames. The demonstrations began with a protest against the President by students at Fourah Bay College, and spread to schoolchildren in Freetown and as far away as Kenema in the south-east of the country.

The demonstrators also highlighted two grievances which normally lie beneath the surface: allegations of high-level corruption and resentment against the Lebanese trading community, whose economic muscle is probably greater than in other west coast countries.

For the moment, however, the introduction of a one-party State does seem to have brought some respite from political infighting. President Stevens, who is a remarkably skilful politician, has released all the country's remaining political detainees and has brought several former SLPP members into his Government. It is believed that Mr. Sheriff himself could have had a seat in the cabinet if he had wanted to take one, but for the moment he prefers to stay out out of the limelight.

President Stevens is now officially said to be 73 years old and although in good health, there is inevitably speculation as to who will eventually succeed him. The strongest contender is Mr. S. I. Koroma, the first vice-president, but his health is said to be poor and he is also thought to have made some strong political enemies.

At present, however, President Stevens remains firmly in control and the country's stability is due in no small measure to his careful balancing of political forces. More than any other politician, he can speak for the nation.

Ever since an abortive military coup in 1971, the President has been careful to keep the small 3,000-strong army happy, well provided with equipment, subsidised food and smart barracks. At the same time, he has set up a counterweight to the army—the para-military Internal Security Unit. Members of this force have been trained in Cuba and by a small number of Cubans in Sierra Leone.

For continued political stability, it is clearly important that the Government overcomes the current economic crisis. So far, however, the signs have not been particularly encouraging.

In return for urgently needed credit tranches, the IMF has demanded that the Government keep public sector salaries frozen while devaluing the leone, and that it keep a close check on its runaway budget deficit and stop piling up short-term debts through contractor finance and suppliers' credit. But while devaluing recently, the Government went completely against the IMF demands in announcing civil service wage increases of between 10-25 per cent—presumably in an attempt to keep domestic political support in wake of devaluation. These pay increases will only add to the budget deficit which was 200 per cent above target in the first quarter of the financial year alone. Meanwhile, the Government keeps on borrowing at home and abroad building up a bubble which, despite the deceptive calm of Freetown, seems certain to burst if sharp corrective action is not taken in the very near future.

Nation facing financial crisis

SIERRA LEONE is in the throes of what is probably its worst financial crisis since independence.

Nothing illustrates this more clearly than the discussions the *Government has been having* with the International Monetary Fund over the past five months on Sierra Leone's request to draw on its second, third and fourth tranches of IMF standby aid.

The Government needs the money to ameliorate severe *balance of payments difficulties* which are, however, due in large measure to the administration's inability to curb its extra-budgetary expenditure.

Sierre Leone's unblocked foreign exchange reserves were down to *Leones 3.6m* by early last month—less than one week's coverage *for imports*—and a pipeline of arrears for import payments of more than Leones 10m had built up.

Rice, the staple food of Sierra Leone, being prepared at a village near Freetown. Rice is by far the most important crop, accounting for 62 per cent of land under cultivation

Urgent

The IMF aid is urgently needed, yet Sierra Leone seems *to be adopting a rather* cavalier approach to IMF requests for tighter financial controls. Last month, for example, the Government agreed to an IMF demand for a devaluation of the Leone but then, *going against the Fund's* advice, it announced civil service pay rises *of between 10 and* 25 per cent—at a time when existing commitments are severely straining its borrowing capacity.

Yet the one over-riding question facing Sierra Leone now is *whether* the Government can stick to a strict financial regimen and *drastically* curb expenditure. It will be far from easy, not least because Sierra Leone is committed to hosting the 1980 Organisation of African Unity summit conference, which is already proving a substantial drain on funds.

The next six to 12 months are likely *to prove crucial* to the health of the economy for many years to come. *If Sierra Leone* can discipline itself, then what has traditionally been a sluggish yet well-balanced economy by African standards can remain on an even keel.

If the country does not discipline itself, the consequences could be extremely serious with a combination of deficit financing and devaluation fuelling inflation.

The backdrop to the current crisis has been the rapid erosion of the country's export base—*minerals—during the 1970s.* Production of diamonds, for *long a mainstay of the* economy, has dropped sharply from around 2m carats in 1970 to around 700,000 last year. The reason is simple: after more than 40 years of production, Sierra Leone's easiest and most profitable deposits have been mined out.

However, the country has been given a breathing space since major increases in the price of diamonds have to a considerable extent offset the effects of falling production.

Three years ago the Sierra Leone development company, *DELCO, the country's sole iron* ore producer, closed down because its mine was no longer profitable, thus depriving the country of 10 per cent of its foreign exchange earnings.

Unfortunately, Sierra Leone had not put sufficient stress on its agricultural sector sufficiently early to counter the effects of declining mineral production, *which could have been foreseen* for some time.

The result was slow growth (Sierra Leone's real growth rate during the 1970s has probably been less than the population growth rate of 2.6 per cent a year) and a deteriorating balance of payments.

On top of all this came a factor totally outside the Government's control—the 1973-1974 oil price rises which hit *Sierra Leone particularly hard* because it is dependent on oil *for virtually its entire energy* needs. With cumulative deterioration in the terms of international trade of the order of 40 per cent between 1973 and 1975, and with a much more rapid decline in mineral production between 1974-75 and 1976-77, the country began to *suffer severe budgetary and* balance of payments problems.

During the past two years dramatic increases in the price of diamonds and the 1976-77 boom in coffee and cocoa have helped save the country from even more serious difficulties.

Even so, there was an overall balance of payments deficit of Le 30m in 1976 and this was *only reduced* to Le 7m the following year thanks to an inflow of IMF assistance and Paris Club debt relief.

It was in June, 1977, that the IMF stepped in with SDRs 9.02m Sierra Leone's first credit tranche, and later in the year the Government obtained relief of Le 23.3m on interest and principal due to be repaid to the Paris Club nations (that is its European creditors) *between mid-1976 and mid-1978.*

However, as the government's *latest draft annual plan* acknowledges additional resources were used principally for increasing current consumption through larger imports of consumer goods and an increase in Government's recurrent expenditure.

"Thus," the plan observes, *"because of ineffective financial management, especially as regards public spending, the benefits which the economy would have received, in terms of reduced budgetary deficits or an* impetus to public investment in development projects, did not materialise."

It was against this background that an *IMF mission* visited Sierra Leone last June, at the end of the financial year, for preliminary discussions on the country's new borrowing request.

The position it found was not *encouraging*, especially since the Government had promised, under the first credit tranche, to restrain expenditure and to keep a close rein on short-term contractor finance and suppliers' credits.

As of the end of June, the Government's total external *debt was estimated at Le217.9m* of this Le97.6m (45 per cent.) was represented by suppliers credits and contractor finance —a rise of 47 per cent on a year earlier. The debt Servicing ratio was estimated to be in the region of 26 per cent—unhealthily high.

The Government had also been borrowing heavily internally. According to Central Bank figures, outstanding internal debt amounted to Le169m—a 67 per cent rise on a year earlier.

In April the country's foreign *exchange reserves* had been at a record level Le61.54m, yet by the end of June this had been reduced to Le43.58m, of which Le22.06m were blocked to provide cover for suppliers credits backed by irrevocable letters of credit.

Deficit

And for the financial year ending in June the budget deficit had risen to Le76.7m—an increase of 193 per cent over the previous year's figure and 33 per cent of total expenditure.

So serious was Sierra Leone's position considered to be that President Stevens himself went *to Washington in October for* talks with the IMF, where officials insisted that he devalue the leone as a pre-condition for any further standby assistance.

As a result, Sierra Leone de-linked the leone from sterling at the start of last month and pegged it to the SDR at a new rate which represented *a 5 per cent devaluation in* disguise. However, the IMF is understood to believe that the leone is still over-valued by about 15 per cent and a gradual depreciation by this amount is widely expected before the end *of the year, even though the* Bank of Sierra Leone is trying to quash speculation to this effect.

Devaluation is now a highly controversial issue in Freetown, with many people arguing that *it is the last thing the country* needs at this time: it will fuel *inflation* (already at about 20 per cent) and, in the short term, will not affect exports greatly since Sierra Leone's diamond prices are fixed in dollars, anyway.

Against this, the IMF is *believed to argue that devaluation* is necessary for a long-term adjustment of the economy towards the agricultural sector and for a short-term curb to imports.

Certainly, both of these are *essential ingredients* in any move to put the economy to *rights.* To its credit, the Government does at least seem to be giving agriculture something approaching the attention it deserves but this will take a considerable time to bear results.

As regards trade, the *Government is now insisting on both Central Bank and Cabinet* clearance for import licences but it remains to be seen whether this will have any appreciable impact on the country's habitual visible trade deficit, which in the last fiscal year amounted to Le 41m.

However, there is as yet no evidence that the *Government* is coming to grips with its *extra-budgetary expenditure.* The budget deficit for the first quarter of the current financial year amounted to some Le 31m instead of the targeted Le 10m. And since then, the Government has announced the civil servants' pay rises of between 10 and 20 per cent, which will add to the financing difficulties and send an inflationary ripple of pay demands coursing through the *wage sector of* the economy.

Sierra Leone can therefore expect some very tough negotiations with the IMF, who will be particularly keen to know precisely the Government's financial commitments until 1980, the year of the OAU conference.

Reports

There are reports of a significant rise in suppliers' credits and contractor finance since June, much of it connected with the OAU conference. Meanwhile, the Government *overdraft* with the Central Bank has risen to a *record* Le 30m.

This is hardly likely to please the fund. Yet Sierra Leone urgently needs the $30m which is the maximum it hopes to gain from the IMF. Not only will this plug the immediate foreign exchange gap, it will also clear the way for fresh debt relief *talks with the Paris Club* (involving the rescheduling of perhaps Le 25m) and should allow the World Bank to unfreeze $19m in project aid ($5m for the National Development Bank and $14m for a road building programme). More generally, the Government's international credit-worthiness depends on the IMF negotiations.

But even assuming the IMF aid does come through, this will *be no automatic solution to* Sierra Leone's difficulties. Whatever the outcome, the country will face a tough time in the coming year.

On the positive side, diamond prices remain high and, while cocoa and coffee prices have moderated, Sierra Leone is *expecting a reasonable crop of* each this year, thanks to good weather.

Moreover, under any standby agreement an IMF representative seems *certain to be placed* in the Bank of Sierra Leone to monitor performance and this could help in restraining *expenditure.*

On the negative side, the OAU conference may still cost a lot to stage, even though Government officials maintain that the planned expenditure has been slashed from Le 200m to less than Le 50m.

The fate of the economy therefore *seems delicately* poised. President Stevens is *said to have returned from* Washington determined to set his economic house in order. Certainly the future of the economy will ultimately depend on the degree of political will power and muscle—or lack of it—displayed from the top.

Prosperity hinges on agricultural sector

THE FUTURE prosperity of Sierra Leone will hinge on the country's agriculture sector which, after years of relative neglect, is now receiving more of the attention it deserves.

But there is still a very long way to go. As Mr. Sam Bangura, the Governor of the Bank of Sierra Leone, commented in a speech last month: "Sierra Leone's agricultural structure has not changed much. The *process of agricultural transformation is still not encouraging. Growth in the agricultural* sector is still relatively low."

The statistics support this view. Production of the country's two most important export crops, cocoa and coffee, has been virtually static for years.

In 1977/78, the agricultural sector is officially estimated to have grown, in real terms, by *just 1.1 per cent (4.5 per cent in 1976/77),* while this financial *year a growth rate of 1.5 per* cent is forecast.

Nevertheless, a greater commitment to agriculture has been evident in the Government in recent years, prompted in part by the rapid decline in the country's diamond mining industry and, in part, by the recent high world prices for cocoa and coffee.

Message

The IMF and World Bank have also been stressing to the Government the importance of a long-term restructuring of the economy in favour of agriculture and this message does seem to have sunk home.

The Government's shift of emphasis can be seen in the major new plans being drawn up by the Sierra Leone Produce Marketing Board (SLPMB) for an extension of export crop cultivation on both estate and smallholder basis. It is keen to attract foreign investment, particularly to coffee farming. The new attitude is also evident in the somewhat better producer *pricing policy adopted in recent* years. A greater proportion of export receipts are finding their way back to the farmers, although observers believe there is still room for substantial improvement here so *that farmgate* prices more accurately reflect international prices.

The Government's greater emphasis on farming is also evident in the larger share of the development budget allocated to agriculture. In 1973/74 *this sector was given a mere* 11.4 per cent of the total. This *year it will receive 23 per cent* (although two thirds of it will come from foreign aid donors).

However, a question mark still hangs over the Government's ability to transform verbal support for agricultural development into hard cash, particularly in the present atmosphere of financial stringency. The Ministry of Agriculture acknowledges that at times it finds it difficult to *provide its share of funds for* joint venture projects with aid donors. It must be hoped that the Government will not stint on agriculture over the next few years, for these could prove vital if Sierra Leone is to show a sustained improvement in its farming performance.

Estimate

The importance of agriculture for Sierra Leone can be gauged from the fact that an estimated 75 per cent of its population lives on the land, farming plots with an average size of 4.4 acres, mostly by traditional shiftin cultivation. Because of the country's relatively small population this means that well under 10 per cent of Sierra Leone's total agricultural land area is being utilised.

Rice, the staple food, is by far the most important crop, accounting for 62 per cent of the land area under cultivation. Sierra Leone is almost self-sufficient in rice—in the 1950s it had an exportable surplus before the drift of workers to the towns and mines. But it had to import 16,600 tonnes in the year to June last and will have to bring rice in again this year because of untimely early rains.

Some would argue that the rice position is symptomatic of Sierra Leone's agricultural difficulties. They would maintain that with its immense potential the country could easily be self-sufficient in rice again—and *indeed an exporter—provided* the Government paid more attention to producer prices and the internal distribution network and less to imports.

Efforts to boost rice production are a major constituent of the development programme. Sierra Leone, in common with *many states,* is adopting the integrated approach to rural development. Emphasis is not merely on crops but on a wide range of complementary facilities, including rural credit *and feeder roads.*

Two major integrated schemes are already in operation, both of them sponsored by the World Bank. One in the east involves the production of cocoa, rice from inland swamps and oil palm, with outgrowers around a nucleus estate. (The Produce Marketing Board experimented with oil palm plantations in the 1960s but this operation went seriously wrong and the country *is still not self-sufficient in palm* oil.)

Another World Bank scheme, in the north, concentrates on upland and swamp rice — and groundnuts — and is also experimenting with cattle ranching.

A third integrated scheme, funded by the EEC, is about to get under way in the north-east of the country, in the Koinadugu area. A major element of this will be the provision of a good *road to the south, along which* the wide range of fruit and vegetables which the area seems suited for could be brought to market.

It is *in* the Koinadugu area that a large proportion of Sierra Leone's nomadic cattle herdsmen are found. The EEC scheme will *include some* cattle ranches on a trial and demonstration basis.

It is still too early to judge the success of the integrated programme in Sierra Leone but it could present problems. For one thing, integrated programmes are very demanding on personnel and *although* Sierre Leone is trying to train more agricultural workers, its ratio of this kind of personnel to farmers is still very low (one to 2,000, according to official estimates).

Moreover, as integrated programmes develop they eat more and more into recurrent budget costs, and there must be doubts whether the country will be able *to foot* the bill if the present economic climate persists.

In tandem with the Integrated Development Scheme, the Produce Marketing Board is about to launch a major new programme to boost production *of cocoa* (7,800 tons were exported in 1977/8), coffee (8,400 tons) and ginger (642 tons).

It also aims to increase production of chillies and to add groundnuts to the export list.

The plans for coffee are *particularly* ambitious. The board wants to set up a series of estates which *would* have a substantial foreign shareholding and would be run by expatriate management.

The idea is to establish two estates initially, possibly covering an area of 6,000 acres and producing an extra 4,800 tons of coffee a year.

However, the most immediate task in the coming year is to prune the badly overgrown bushes of Sierra Leone's smallholders who produce the country's entire output at present.

Favourable weather conditions *mean that the country is* expecting relatively good harvests this year for coffee (more than 10,000 tons) and for cocoa (8,500 tons), but the Marketing Board estimates that cocoa production alone could be increased by 50 per cent if disease and pests were controlled.

It is planning a campaign in the coming season to drum home the importance of crop spraying to the small-holders who seem likely to continue producing most of the country's cocoa crop.

As elsewhere in Africa, there is continual debate over the *extent* to which the *traditional* system of communal land tenure retards agricultural *development,* both by preventing the establishment of large-scale farms and denying the farmer collateral in land with which to obtain credit facilities.

Opinion in Sierra Leone seems to be veering towards the *belief* that traditional land-holding structures need not be an impediment to progress provided certain adaptations are made.

Analysis

In a *thoughtful* analysis of agricultural trends, Mr. Bangura of the Bank of Sierra Leone has suggested that rather than introducing individual ownership, which would tend towards "absentee ownership and exploitation," it would be preferable to aim at establishing "secure and interminable leasehold."

Partnership arrangements on a company basis between the landowner, the Government and groups of *foreign* investors would be one solution, he argued. Another could be co-operatives.

This does not provide a solu*tion to the question of bringing* credit to the peasant smallholder. But the Bank of Sierra Leone is taking a lead in trying to solve this issue, urging the establishment of a rural banking network and introducing a credit guarantee scheme designed to encourage the commer*cial banks to lend to the small* borrower with little collateral.

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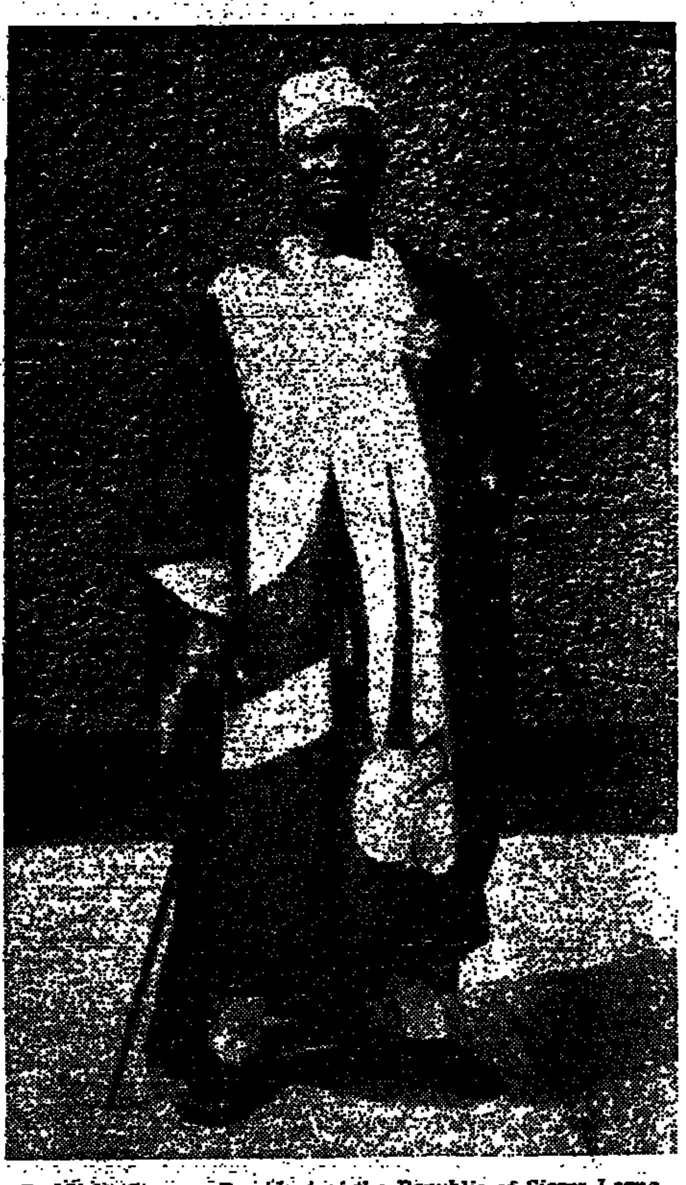
SIERRA LEONE

LAND OF PROMISE AND POTENTIAL

PRESIDENT STEVENS — AN INSPIRED LEADER



Dr. Siaka Stevens, President of the Republic of Sierra Leone.

Very few statesmen have been so dedicated to their country's aspirations for unity and development as President Stevens.

Dr. Stevens' ten years of leadership, during which he has displayed unparalleled qualities of political maturity, integrity and sagacity culminating in the fulfilment of his dreams for the nation, when on June 14, 1978, Sierra Leone achieved One-Party Republican Status.

Taking up the reins of leadership at a time when the nation was almost shattered by strong tribal feelings, when politics had divided the country and families into rival camps, President Stevens, in the space of ten years, has achieved what seemed impossible by bringing all Sierra Leoneans, regardless of political differences, under one umbrella.

Political pessimists had speculated that the introduction of a One Party System in Sierra Leone would be characterised by disturbances and bloodshed. They were, however, amazed by the spontaneous nation-wide support the One Party Referendum received from the populace including former SLPP opposition members both at home and abroad.

In his annual Presidential Address at the Official Opening of the One Party Parliament last June, President Stevens referred to the smooth transition to the One Party System and said that since independence Sierra Leone had experimented with various kinds of governments—multi-party; quasi two party Parliamentary between APC and SLPP; Military government; coalition; and near single party under both the SLPP and APC. None of these had worked and the nation had been on the verge of civil war on several occasions, induced by *inter-tribal fear* and mistrust.

President Stevens said it was unfortunate that some people had come to identify democracy as the existence of several political parties.

"This is a delusion no doubt bred by misunderstanding and incomplete knowledge since even in its original form, democracy was never conceived to be this; and down to recent times, the meaning of democracy has generally been conceived to be government by participation and representation.

"One of the most acceptable definitions is that provided by the American President, Abraham Lincoln, who defined it as 'Government by the people, of the people and for the people.' There is nothing said here about parties." President Stevens maintained.

The President urged all to respect the rights and privileges of Sierra Leoneans in particular and Africans in general to decide on the kind of democracy or political system they choose to adopt and practise.

The tremendous support for the One Party System not only showed itself in the Referendum results but also in the hundreds of delegations from all over the country which thronged State House to express unequivocal support for the new system.

This massive support is a reflection of the sterling qualities of President Stevens, whose inspired leadership has endeared him to his people. His achievements are testimonies of his dedication to duty, simplicity, humility, magnanimity, resourcefulness and respect for the opinions of others. His life is a chronicle of heroic deeds, imbued with honesty, fearlessness, truth, tolerance and humanitarianism. By his ingenuity, Sierra Leone is today enjoying unprecedented peace, tranquility, and political and economic stability.

In international circles, President Stevens has equally won the respect and admiration of several world leaders and is looked upon as an elder statesman on the Continent.

Tobacco Plantation in the Northern Province of Sierra Leone.

THE NATIONAL ECONOMY

Like many developing countries, *Sierra Leone has a dual* economy. The non-monetised sector consists largely of subsistence agriculture which accounts for over 70 per cent of the labour force. The monetised sector is dominated by the mining industry, diamonds and bauxite being the predominant minerals.

Real GDP in 1976/77 was Le480.75 million rising to Le496.82 million in 1977/78 indicating a growth rate of 2.4 per cent per annum during this period.

The economic activities of the country over the last ten years have shown that Sierra Leone has an open developing economy. Its economic growth rate has been largely determined by the fluctuating external demand for her primary products.

The close relationship between the GDP and exports in Sierra Leone is explained by the fact that Government receipts, domestic incomes and the availability of foreign exchange to import capital goods are all highly dependent on export earnings.

FOREIGN TRADE:

Foreign Trade plays an important part in the Sierra Leone economy. The country's exports are mainly raw materials dominated by the mining sector with a share of about 78.4 per cent of the total value of exports, diamonds alone accounting for 61.8 per cent of this total. The share of agriculture in the total value of exports is about 21.6 per cent.

From 1971-1975, exports consisted of only six commodities: diamonds, iron ore, bauxite, palm kernels, cocoa and coffee. Iron Ore is no longer exported since the Delco Mines closed down in 1976.

The Sierra Leone Produce Marketing Board (SLPMB) is the statutory Agency with sole monopoly for the marketing of export crops and fixing producer prices. It buys produce from farmers at fixed prices each buying season and then sells in overseas markets at the best price obtaining at the time.

In years of buoyant prices, the Board tends to accumulate surpluses, which in turn are used to support prices paid to farmers in years when prices are depressed on the world market.

This high concentration of exports makes the economy very dependent on the prices dictated by the foreign buyer which is determined by supply and demand existing at the time for those commodities.

Sierra Leone is a large importer of not only intermediate goods (raw materials used in the production of final output) and capital goods but also consumer goods. In 1977 imports consisted of food beverages and tobacco, crude materials, mineral fuels, *lubricants and related materials*, animal and vegetable oils and fats, chemicals, manufactured goods and machinery and transport equipment.

AGRICULTURE:

Sierra Leone's agriculture is the most important sector of the economy. It provides a livelihood for over 75 per cent of the population, and contributes about 30 per cent of GDP.

The major crops grown are rice, cocoa, groundnuts, cassava, ginger, maize, some varieties of vegetables, and benniseed. Millet is an important minor crop in some areas of the country. Rice the staple food, is the most important single crop, and is being cultivated on 808,000 acres by about 81 per cent of farmers in all parts of the country.

Rice, cassava, ground nuts, maize and other crops are grown exclusively for home consumption, but with the increased production of rice over the past two years, it is estimated that the country will start exporting rice shortly.

The majority of farmers have smallholdings in a system of "shifting cultivation."

Large-scale type farming is a fairly recent development, and the few that are established are Government or quasi-Government owned, and are confined to crops which require expensive machinery and lengthy processing, e.g. oil palm, rubber and sugar cane.

The Government is giving every encouragement towards the establishment of large-scale *farming aimed at increasing* the supply of export crops as well as providing raw materials for agro-based industries.

Conscious of the complicated nature of the problems of farmers, the Government attaches great importance to the integrated approach to agricultural development. This approach offers "package deals" to the farmer, including extension and trading, credit, infrastructure and marketing facilities.

Livestock, pig and poultry production are also important agricultural activities. The country's livestock consists of cattle, goats and sheep, *concentrated in the* savannah area in the North-East. Production, however, is insufficient to meet the entire needs of the population, and substantial quantities are imported from overseas producing countries.

Other areas with great potential are fishing and forestry. The five-year National Development Plan (1974/75-1978/79) provides for full exploitation and rational use of forest resources.

MINING:

Sierra Leone is potentially very rich in mineral resources, and the exploitation of known deposits of diamonds, iron ore and bauxite over the years provides the bedrock for the present economic structure of the country.

Only two-thirds of the country *has been geographically mapped*, and the geology of the remainder is only roughly known.

The main importance of mining in the economy is brought out clearly by its contribution to export earnings and to public revenue. Export of minerals have contributed about 80 per cent of the total value of domestic exports during the last fifteen years, with exports of diamonds accounting for about 60 per cent. The iron ore mining company, DELCO, ceased operations in October, 1975, resulting in a substantial decrease in revenue from the mining sector.

DIMINCO, the diamond mining company, has experienced substantial decline in its level of production over the past few years. Production declined by 28.8 per cent from 1,083,000 carats in 1976 to 771,000 carats in 1977. There are a few reasons for the fall in production. Despite combined efforts by the Government and the company, illicit mining continues on a large scale. Again, the high cost of spare parts has tended to reduce profitability. Falling production has, however, been offset by the rising unit value of diamonds.

However, it is expected that production would increase when DIMINCO embarked on Kimberlite mining in its lease area.

The Sierra Leone Ore and Metal Company (SIEROMCO) has been mining bauxite at Mokanji Hills, Southern Province since 1963. The company is wholly owned by Alusuisse of Switzerland. Sieromco has continued its expansion programme with a view to increased production. Bauxite production rose by 11.4 per cent from 650,600 metric tons in 1976 to 725,000 metric tons in 1977.

The Government is presently engaged in negotiations with the Swiss Aluminium Company, Alusuisse, for the exploitation of the Port Loko bauxite deposit, and it is expected that negotiations will be concluded soon. The Government is expected to participate in the equity of the new company.

Rutile is mined by Sierra Rutile Company, a company jointly owned by the giant multinational Bethlehem Steel Corporation and Nord Resources. The company has completed the evaluation of Rutile deposits in the Moyamba and Bonthe Districts and production exporting ore is expected to commence next month (January, 1979).

MANUFACTURING:

Industry and manufacturing in Sierra Leone are of recent origin. Centred mainly in Freetown, the country's largest market, industries are engaged in the local assembly or part manufacture of goods which were hitherto imported. In most cases, the raw materials used in the manufacturing are imported from overseas. Nevertheless, the *sector as a whole enables foreign* exchange to be made and, more important, provides employment and training in a wide range of skills.

The establishment of manufacturing industries has been guided by the Development of Industries Act 1960 which provides for granting of Development Certificates to Industries whose development would be "conducive to the development of the indigenous resources, the utilisation of man-power resources and the generation of economic activity in the country." The Act placed no restriction on the repatriation of either profits or capital. Under this policy, a number of manufacturing industries have been established.

The Government is now giving every encouragement to the establishment of agro-based industries, which will enable the future utilisation of the country's raw materials. Some initial development has taken place such as the establishment of the Mabole Fruit Canning Complex in Bombali District.

A sugar processing factory is to be established in Tonkolili shortly.

COMMERCIAL SECTOR:

The commercial sector is largely dominated by expatriate concerns. The great trading companies (United Africa Company, Paterson Zochonis and Compagnie Française de l'Afrique Occidentale) which in their heyday first linked West Africa and Europe in regular commercial exchange, are gradually being eclipsed by Indian and Lebanese businessmen.

Wholesale and retail trade in both Freetown and the provinces is dominated by Indians and Lebanese. However, in recent years, an increasing number of Sierra Leoneans have been participating in the retail business. A handful of supermarkets are now owned by Sierra Leoneans, but these account for only a small percentage.

MONEY AND BANKING:

Financial institutions include a Central Bank (the Bank of Sierra Leone), *three commercial* banks, one of which, the Sierra Leone Commercial Bank, is wholly Sierra Leonean, the National Development Bank, The National Co-operative Development Bank, the Post Office Savings Bank, a finance company, a rural banking scheme and a few insurance companies, including the National Insurance Company.

On the whole, the economy has gone through severe pressures over the recent past, and to help cushion their effects on national development, the IMF in 1976 approved of a stand-by agreement through which the country was able to secure relief on certain debt obligations through the Paris Club.

SIERRA LEONE TAKES BOLD STEP TO BRING STABILITY TO ITS ECONOMY

Within the past few years, the economic development in Sierra Leone has had its own share of inflation and shortage of foreign exchange. Consequently, significant development projects have been *hindered*, while the country has been labouring under a somewhat sluggish domestic economy, which was subjected to the performance of the pound sterling to which its currency was tied.

Over a third of the country's imports were from UK sources. Therefore any *inflationary* move in Britain was reflected locally. Domestic inflation in the UK reflected directly on the value of the Leone, with a consequent fall in the country's export earnings and a rise in import bills and public debt repayments. Moreover the pound was now strengthened by Britain's oil production and may, therefore, prove too strong for Sierra Leone's weaker economy.

These factors, over which the Sierra Leone Government had very little control, coupled with other factors *including* the fluctuation of world prices and soaring oil prices, had a very adverse effect on the economy.

With a view to bringing stability to the economy, Government recently announced the de-linking of the Leone from the British pound sterling as the first positive step towards this goal.

The Leone is now pegged to the IMF's Special Drawing Rights (Le1 = SDR 73611) giving it a weighted averaged cross rate which is more stable in a world of floating exchange rates.

FACTS AND FIGURES

Area:	27,925 sq. mls.
Population:	3,470,000
GDP:	Le496.82m (1977/78)
AGRICULTURAL PRODUCTION (1977)	
Palm Kernels:	31,350 tons
Coffee:	10,541 tons
Cocoa:	4,663 tons
Ginger:	5,447 tons
Rice:	577,500 tons
MINERAL PRODUCTION (1977)	
Diamonds:	771,000 carats
Bauxite:	725,000 metric tons
FOREIGN TRADE (1977)	
Total imports	Le206,207,000
Total exports:	Le128,147,000
Re-exports:	Le3,741,000
EDUCATION (1977)	
Primary schools	1,100
Primary school pupils:	218,379
Secondary schools:	129
Secondary school pupils:	50,455
Technical & Vocational schools:	4
Technical & Vocational school pupils:	1,690
Teacher Training Colleges:	6
Teacher Training College students:	1,656
University (with 2 constituent colleges):	1
University students:	1,690

The Sierra Leone Brewery is one of the oldest industries. Here beer is being bottled in the plant at Wellington, a few miles from Freetown.

SOME INVESTMENT INCENTIVES

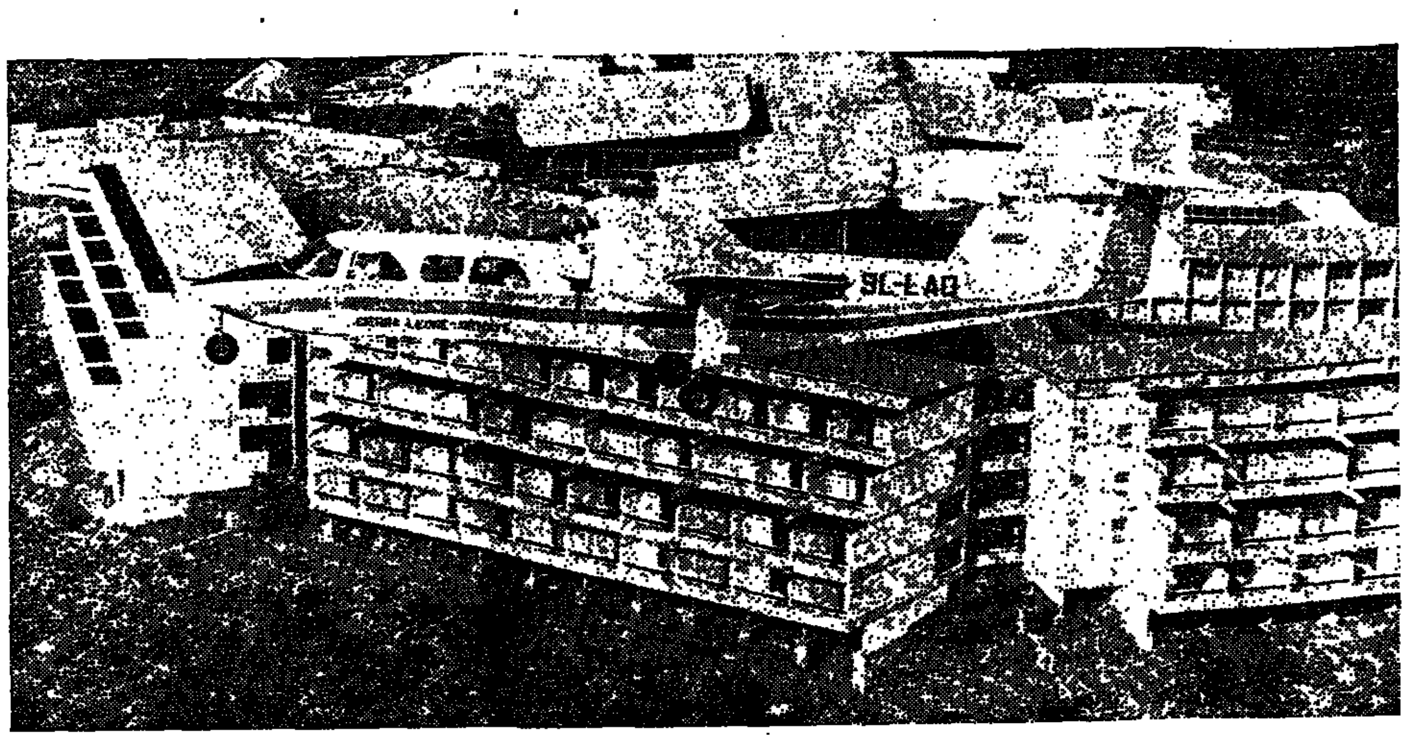
* Exemption from import duty on raw materials up to 90% of the dutiable value of such imports: total exemption from import duties on machinery and construction materials

* Exemption from income tax for a period which will depend on the size, scope and nature of the investment

* Special incentives for profit reinvestment: special incentives for export: tariff protection and restriction on competing imports. Deferment of depreciation allowance until the end of the tax holiday period

For further information, please write to:
The Ministry of Information & Broadcasting
Wallace Johnson Street, Freetown, Sierra Leone

Part of the famous Sierra Leone National Dance Troupe in action. The Troupe has had successful tours in Britain, United States, and parts of Europe.



A Britten-Norman Trislander of Sierra Leone Airways flies low over the Bintumani Hotel at Cape Palmas. The hotel, part of the soon-to-be-completed conference centre complex, is managed by CHM Hotels

New plans to boost mining sector

DIAMONDS HAVE been the mainstay of the Sierra Leone economy for decades, but production is now falling rapidly and the country is having to adjust painfully to the realisation that its reserves are not forever.

Nevertheless, strong world demand has given the country an invaluable breathing space: Sierra Leone's falling production has been largely offset up to now by some dramatic increases in the price of diamonds. As a result they still dominate the country's list of exports, accounting for 56.6 per cent of foreign exchange earnings in the financial year to last June.

A second major blow to the country's *mining sector* during the past few years has been the ending of iron ore production in 1975. The Sierra Leone Development Company (DELCO) *decided that its iron ore mine* was no longer financially viable and it went into liquidation, depriving the country of around 10 per cent of its *foreign exchange earnings.*

Against this gloomy background two more positive developments are taking place in the mining sector. First, Sierra Leone *is on the verge of* resuming production of rutile, which is used in the manufacture of paints.

Secondly, feasibility studies are being mounted into the possibility of opening up new bauxite reserves in the north of the country.

Neither of these developments will anywhere near compensate in financial terms for the loss of diamond production, but they will provide some consolation.

Decline

The decline in diamond production has been rapid in recent years, with falls of between 20 and 30 per cent a year recorded since 1973-74. Diamond exports, which had totalled just over 2m carats in 1971-72 were down to 707,000 carats in 1977-78.

The effects have been ameliorated by some remarkable world price increases. Diamond prices rose 15 per cent in March 1977 and 17 per cent the following December, while this year *has seen a price rise of 30 per* cent in August in the wake of temporary increases, referred to as surcharges, which were imposed by the Central Selling *Organisation on sales to its* clients and which at one time reached 40 per cent.

As a result, although Sierra Leone's diamond exports fell 26.4 per cent in *1977-78* over the previous year, the value of exports went up by 64.7 per cent.

The major reason for the production decline is simply that after 40 years of operations, the majority of Sierra Leone's easiest and most profitable deposits have been mined out, leaving more inaccessible and deeper ones to be worked. This means much higher capital expenditure on mining equipment, while the deeper ground normally contains smaller diamonds than those found in shallow deposits.

The depletion affects each of the two branches into which the Sierra Leone diamond mining industry is divided: large-scale corporate operations and small scale diggers. The large scale consist*s* of DIMINCO (which was known as Sierra Leone Selection Trust until the Government took a 51 per cent stake in 1970).

DIMINCO has exclusive mining rights in two concession areas—one large and one small—and produces just under half of Sierra Leone's official output. *In 1977-78 it produced 350,019* carats compared to 435,491 in 1976-77.

The small-scale mining consists of hundreds of individual miners licensed to dig on specific plots under the Government's Alluvial Diamond Mining scheme, which was introduced in 1956. Like DIMINCO, the Alluvial scheme saw a substantial drop in output in 1977-78, down to 369,300 from 471,400 carats. This was attri*butable to both diamond* smuggling and a lack of adequate machines to strip away the deep overburden covering the diamonds.

Besides these licensed diggers, a third category of miner has long been at work in Sierra Leone and constitutes one of the industry's biggest headaches: the illicit diamond miner, who works illegally inside the DIMINCO lease areas, both under cover of darkness and in broad daylight.

The illicit miners often work in gangs, mine inefficiently, leaving pockets of gems behind in the earth—but, at the same *time,* they churn up the ground and make it unsuitable for large-scale operations by the company. Much of the illicit miners' production will be lost *to the country—an appreciable* amount being smuggled across the border into Liberia.

It is a measure of the extent of illicit mining and of smuggling of gems from the Licensed Alluvial Scheme, that a Government move last February, to reduce the lure of smuggling brought dramatic results and gave some indication of the amount of diamonds lost to the country over the years.

When the Government reduced the export duty payable on diamonds purchased under the Alluvial Scheme from 7½ per cent to 2½ per cent, the number of diamonds offered shot up immediately.

By September, purchases under the Alluvial Scheme during the year totalled 370,608 carats, compared to 258,266 for the same period of 1977—a staggering rise of 44 per cent. And they were worth Le 64m compared to Le 17.4m.

Despite this increase, production is steadily declining but Sierra Leone is not about to run out of diamonds. The small individual miner will long continue to dig in the large sweep of pock-marked countryside in the south-east of the country where diamonds are to be found.

Mining on the Yengema diamond field, Sierra Leone. Diamonds still dominate the country's list of exports

However, a *major* question mark does hang over the large-scale operations of DIMINCO for there must come a point at which the cost of its operations *outweigh the financial returns.*

For some years now that moment has been thought imminent, only to be indefinitely postponed by the constantly rising price of diamonds.

DIMINCO is now considering a significant new departure which would again prolong the life of the company. It is conducting feasibility studies into the possible exploitation of two kimberlite pipes within the concession area.

Mining kimberlite involves much higher capital costs than DIMINCO's current mining of alluvial gravels, since the rock containing the diamonds has to be blasted, crushed and milled.

Although some people in the industry are adopting a cautious approach to the likelihood of going ahead, the Sierra Leone Government seems certain to be keen on kimberlite production since both jobs and foreign exchange earnings will be involved.

Development

Whatever the fate of the kimberlite pipes, Sierra Leone is firmly expected to begin production of rutile again in 1979 after a gap of eight years. The country has the world's biggest proven deposits of this substance (which is 96 per cent titanium oxide).

Attempts to mine rutile began in 1967, but the company involved—a subsidiary of Pittsburgh Plate Glass—went into receivership in 1971 after four years of desultory production.

Its difficulties seem in part to have stemmed from a failure to realise that the Sierra Leone rutile deposits required a different extraction technology to that used in Australia, the world's principal producer up till now.

A *new company,* Sierra Rutile, (85 per cent owned by Bethlehem Steel, and 15 per cent owned by Nord Resources), was set up in 1972. Five years and *more than $40m of investment* later it is due to begin production early next year.

The aim is to *mine* 60,000 tonnes of rutile in 1979, rising *to about 100,000 tonnes* thereafter.

At the moment, however, the world market price of rutile is much lower than it was when the investment began and there is concern that the addition of Sierra Leone's produce onto a market of just 400,000 tonnes could have a depressing effect *on the price just when this* seems to be improving. Tentative plans are also being drawn up for a major expansion of Sierra Leone's bauxite production which began in 1963, when the Sierra Leone Ore and Metal Company (SIEROMCO) — a wholly-owned subsidiary of Alusuisse—set up operations at Mokanji, in the south of the country. Production there has risen to about 700,000 tonnes a year worth Le 7m last year.

Much larger deposits have been found in the north of the country around Port Loko. Alusuisse has just reached an agreement in principle with the *Government,* under which it will conduct feasibility studies into mining these deposits (which are of significantly poorer grade than those in the south) and into the establishment locally of an alumina plant. However, the project is still far from assured.

Even if the feasibility studies are positive, Alusuisse will still have to find international backers for the alumina plant, which will cost several hundred million dollars to set up.

Whether or not bauxite operations start around Port Loko (and, at the earliest, this would not be until 1983), there *seems little hope of iron ore* mining resuming in this area in the foreseeable future.

Delco's closure of its mine at Marampa, to the east of Port Loko, was a severe shock to Sierra Leone, even though rising production costs and falling ore grades had for years been cutting into the profits of this subsidiary of the British company, William Baird. In the end, Delco decided it was just not worthwhile spending money on the new capital equipment required to mine the lower grade of ore at a time of a world glut.

Since then, three or four foreign interests, including Bethlehem Steel, have taken a look at the Marampa deposits and at the much larger (but more remote) reserves in the Tonkolili district to the east.

The Government believes Marampa could be revived on a marginal profit basis, which would provide jobs and foreign exchange but there are no takers—and there seem unlikely to be any as long as the world market depression persists.

Tourism has impressive potential

ONCE YOU lie down on the exotically-named "Man of War Beach" or any of the other expanses of dazzling white sands *that stretch south from* Freetown it is very hard to get up again! Everything in the area conspires to induce a lazy, self-indulgent idleness.

The heat makes any movement an effort. In front of you the Atlantic breaks gently on what is one of the finest *stretches of beach in* West Africa. Overlooking the sands, palm trees rustle against a backdrop of gently undulating mountains, draped with rain forests.

It is therefore hardly surprising that Sierra Leone is hoping to build up its tourist industry into a major foreign exchange earner. But these are early days and there is a long way to go to see this significant tourism potential realised more *fully.*

Just 15,600 tourists visited Sierra Leone in 1975-76, while 25,000 did so the following year and 24,000 in the year to last June. In 1977-78 these tourists brought in just over Le 4m in foreign exchange.

Hotel accommodation is still *limited (457 rooms)* but it is growing. Earlier this year, the 150-room hotel Bintumani (situated outside Freetown on a hill overlooking the celebrated Lumley Beach), officially opened its doors for the first time. A conference centre is being completed next to the hotel complex.

Nearby, the Cape Sierra Hotel has been refurbished while a site is being cleared for a third beachside hotel, due to open in time for the 1980 OAU Conference.

Sierra Leone's attractions for the tourist are essentially the sun, some dazzling unspoilt beaches, an exotic atmosphere, and the gracious nature of its people.

The country could not hope—and, for social reasons, would *not hope—to attract a* mass tourist market. For one reason the flight from Europe is expensive and long. For another, Sierra Leone would not appeal to the holiday-maker who insists on every comfort "laid on."

Freetown, for example, would not be everyone's idea of paradise. Shopping facilities are *limited, food restaurants are* few and so are the nightspots. But it is still a fascinating city, full of atmosphere, be it in the *street markets* or the City Hotel, (the setting for the opening chapter of Graham Greene's "The Heart of the Matter.")

The feeling of back-water decay that Greene captured so well is still evident—although rotting colonial buildings, smeared with tropical grime, now *sit side by side* with anonymous modern blocks. The North Koreans have built Freetown a new City Hall, while the Chinese have built a stadium.

View

Perhaps the best view of the city can be had from the top of one of the hills behind it, on one of which stands Fourth Bay College, the oldest institute of higher education on the West Coast.

Another good view can be found from the ferry which brings you to Freetown across *the estuary of the Sierra Leone* River from Lungi International Airport—you can make out the shape of the mountains which the Portuguese explorer, who first sailed into these waters, thought resembled a crouching lion and thus gave Sierra Leone its name.

Lungi airport, however, is one of the drawbacks to tourism in Sierra Leone. Its location—across the estuary from Freetown—means that the tired *holiday-maker from Europe* faces a trip of more than two hours to his hotel.

There are plans to build a new international airport near Freetown, but these have been put off because of the current financial straits. Instead, Lungi is to be improved.

Before attracting tourists in greater numbers, Sierra Leone would also do well to provide some water sports facilities—particularly water skiing, fishing and sailing.

The west coast of Africa cannot compete with the big game attractions of East Africa. But, as the Gambia has shown, it can *still attract tourist in substan*tial numbers. It is still significantly cheaper than East Africa or the Caribbean and still relatively unspoilt.

Experiment in co-operation

THE MANO River Union between Sierra Leone and Liberia—one of West Africa's most interesting experiments in inter-state economic co-operation—has just celebrated its fifth birthday.

The experiment came into existence in October, 1973, when President Stevens of Sierra Leone, and President Tolbert of Liberia, signed a declaration to work towards economic integration between their countries, with a customs union as the initial goal.

It was a far-sighted act: the Mano River Union is, in many *respects, a precursor of the* much larger Economic Community of West African States (ECOWAS) which, in rudiments at least, came into being in 1975.

The union has gradually moved during the past five years towards greater economic integration in three main areas—the harmonisation of trade agreements, the establishment of joint industries and plans to construct a major hydro-electricity project in the basin of the Mano River which forms the frontier between the two States.

In the field of trade, agreements has been reached on a common external tariff covering virtually all products as well as the harmonisation of 79 per cent of excise rates.

But it is not a total free trade area, since only a selected number of locally produced commodities can be traded between the two without payment of duties.

Economists reckon that, by themselves, the trade provisions of the union will only lead to a marginal increase in trade between the two. Yet the provisions do give the necessary background for what may turn out to be one of the union's main achievements—the establishment of industrial enterprises specifically designed to serve both countries.

Tribute

It is a tribute to the Mano River Union that after years of industrial stagnation in Sierra Leone—with no new industries being established—1979 should see the opening of a fruit and vegetable processing plant.

Behind this, and other schemes identified by the union secretariat, lies the central economic tenet of union—that Sierra Leone, with a population of 3m, and Liberia, with a population of 1.5m, are in themselves too small to provide sufficient economies of scale for manufacturing concerns. By combining, they create those economies.

A particularly good example of this is the union's plan for a glass container plant. At the moment, both Sierra Leone and Liberia import their bottles. A modern bottle factory needs an output of about 25m bottles a year to be viable. This is more than the present imports of either country—but less than both combined.

To stimulate trade between the two countries, communications between them are being upgraded. The first step was in 1976 when, in an act symbolic of the union, a new bridge was opened over the Mano River.

Now preparations are being made for the construction of an all-weather road between Freetown and Monrovia, which will form part of the Trans-Africa Highway.

However, by far the most ambitious of the union's projects is that for a major hydro-electric and irrigation scheme in the Mano River basin.

A French company has just been awarded a contract to carry out a feasibility study, (funded by the EEC). A study last year estimated the cost of the project at $300m, but it is likely to rise substantially.

If all goes according to plan, union officials would like to see the first of six hydro-electric units in operation by the end of 1983.

In the early years, the Liberian iron ore mines would take about 80 per cent of the energy generated, with 20 per cent going to southern Sierra Leone.

هكذا من الأصل

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Cres. Amer. Fd. 23.5 25.0 ..... 1.65
Cres. Internat'l. 59.0 63.3 ..... 1.00
Cres. High. Dist. 45.0 48.2 ..... 8.95
Cres. Reserves 40.7 43.6 ..... 4.07
Cres. Tokyo 25.2 27.8 ..... 1.94

Discretionary Unit Fund Managers
22, Blomfield St., EC2M 7AL. 01-638 4485
Dis.Inc Dec. 8 178.4 190.3 +9.8 4.99

E. F. Winchester Fund Mngt. Ltd.
Old Jewry, EC2. 01-606 2167
Great Winchester 18.0 19.6 ..... 4.94
Gt. Winchester O'seas 17.6 19.0 ..... 4.53

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20, Arlington St., S.W.1. 01-499 7551
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For Equitas Securities Ltd. see Abbey Unit Trust Mngrs.

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Equity & Law 68.2 72.7 -0.4 4.28

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321
J. Finlay Internat'l 22.8 24.5 ..... 2.08
Accum. Units 27.1 29.1 ..... 2.08
J. Finlay Income 36.3 39.0 ..... 8.03
J. Finlay Euro.Fin. 26.6 28.6 ..... 2.45
Accum. Units 31.5 33.8 ..... 2.45
J. Finlay Fd.In.Tst. 27.8 29.9 ..... 4.24
Accum. Units 32.3 34.8 ..... 4.24
Prices Dec. 6. Next dealing Dec. 13.

Mayflower Management Co. Ltd.
14-18, Gresham St., EC2V 7AU. 01-606 8099
Income Dec. 5 108.4 114.1 ..... 8.62
General Dec. 5 71.0 74.7 ..... 6.06
Internl. Nov. 21 43.5 45.8 ..... 3.00

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2EB. 01-600 4555
Merc. Gen. Dec. 6 204.3 217.3 ..... 4.57
Acc. Uts. Dec. 6 269.6 286.8 ..... 4.57
Merc. Int. Dec. 6 66.6 70.9 ..... 4.30
Acc. Uts. Dec. 71.9 76.5 ..... 4.30
Merc. Ext. Nov. 23 232.7 242.6 ..... 4.95
Accm. Uts. Nov. 23 282.0 293.8 ..... 4.95

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Do. Accum. 75.6 82.6 +0.2 5.54
Growth 36.3 39.1 -0.1 3.29
Do. Accum. 39.4 42.4 -0.1 3.29
Capital 26.2 28.2 ..... 3.30
Do. Accum. 28.6 30.8 ..... 3.30
Income 52.5 56.5 -0.1 6.72
Do. Accum. 61.2 65.9 -0.2 6.72
International 42.3 45.7 ..... 3.34
Do. Accum. 45.5 49.1 +0.1 3.34
High Yield 63.0 67.8 -0.2 8.32
Do. Accum. 68.8 74.0 -0.3 8.32
Equity Exempt* 107.3 113.2 ..... 5.59
Do. Accum.* 107.3 113.2 ..... 5.59
Japan & Pacific 48.0 51.1 +0.2 0.98
Do. Accum. 48.0 51.1 +0.2 0.98
*Prices at Nov. 7. Next dealing Dec. 8.

CORAL INDEX: Close 490-495

INSURANCE BASE RATES

†Property Growth 11¼%
†Vanbrugh Guaranteed 10.75%
†Address shown under Insurance and Property Bond Table.

INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

46th Floor, Connaught Centre, Hong Kong
Jardine Estn. Tst. HK$296.41 ..... 2.40
Jardine J'pn.Fd.* HK$400.90 ..... 0.90
Jardine S.E.A. HK$16.40 ..... 2.10
Jardine Flem.Int. HK$11.63 ..... —
Intl.Pac.Secs.(Inc.) HK$13.31 ..... —
Do. (Accum.) HK$13.44 ..... —
NAV Nov. 30. *Equivalent $US83.32. Next sub. Dec. 15.

CMF Ltd. Nov. 30 $US13.56 13.97 ..... —
CMT Ltd. Nov. 30 £13.67 14.02 ..... —
Metals Tst. Nov. 16 £12.73 13.04 ..... —
TMT Nov. 9 $US9.95 10.23 ..... —
TMT Ltd. Nov. 9 £9.87 10.12 ..... —

World Wide Growth Management
10a, Boulevard Royal, Luxembourg
Worldwide Gth Fd $US14.79 -0.03 —

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ¢. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

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BRITISH FUNDS

"Shorts" (Lives up to Five Years)

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Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

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COMMONWEALTH & AFRICAN LOANS

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LOANS

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

Interest Due		Stock	Price £	Last xd	Div % Gross	Red. Yield
—		Antofagasta Rly...	23½	8 71	—	—
1J	1J	Do 5pc Pref......	39xd	13 11	—	—
1J	1J	Chilean Mixed......	98	3 7	—	£3.10
1J	1D	German Yng. 4½pc	411	4 12	4½	—
1M	1N	Greek 7pc Ass ...	50	1 11	3½	f7 20
1F	1A	Do 6pc 28 Stab. Ass..	49	1 8	6	f6 24
1A	1O	Do 4pc Mixed Ass...	40	3 7	4	f5.13

BONDS & RAILS—Cont.

[illegible]

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 38¼% (based on US$1.9547 per £)

CANADIANS

[illegible]

S.E. List Premium 38¼% (based on $2.2940 per £)

BANKS AND HIRE PURCHASE

[illegible]

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

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[illegible]

CHEMICALS, PLASTICS—Cont.

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ELECTRICAL AND RADIO

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ENGINEERING MACHINE TOOLS

[illegible]

ENGINEERING—Continued

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FOOD, GROCERIES—Cont.

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EASTERN RAND

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FAR WEST RAND

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O.F.S.

[illegible]

FINANCE

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MINES—Continued

AUSTRALIAN

[illegible]

TINS

[illegible]

COPPER

[illegible]

MISCELLANEOUS

[illegible]

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Feb.	Aug	Buffels R1	$11	26 6	Q170c	1 8	17 9
Aug.	Feb	East Drie R1	$65c	26 6	†Q78c	1.7	10 4
Aug.	Feb.	East Rand Prp. R1	370c	28 6	—	—	—
June	Dec.	F. S. Geduld 50c	$17⅞	30.10	Q315c	ϕ	20 4
June	Dec	Pres. Brand 50c	$20¾	30 10	Q150c	ϕ	16 1
May	Nov.	St. Helena R1	$10⅛	2 10	Q190c	ϕ	21 6
Aug.	Feb	Stilfontein 50c	400c	26 6	†Q22c	2.3	6 3
Aug.	Feb.	Vaal Reefs 50c	$17½	7 8	Q115c	3 3	7 6
Feb.	Aug.	West Drie R1	$29⅝	26 6	Q385c	1 7	15.5
June	Dec	West Hldgs. 50c	$21⅛	2 5	Q415c	ϕ	22 7
Feb.	Aug.	Western Deep R2	$10⅝	7 8	Q82.5c	2.4	9 2

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- $ Sterling denominated securities which include investment dollar premium.
- • "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ◆ Merger bid or reorganisation in progress.
- ☐ Not comparable.
- ◇ Same interim, reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- II No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend, cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend, cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. ¶¶ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

" Recent Issues " and " Rights " Page 25

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REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	26	....	Sheffield Brick	55	....
Ash Spinning	67xd	....	Sheff. Refrshmt	67xd	....
Bertam	15	....	Sindall (Wm.)	117	....
Bog'wtr. Est. 50p	323	....			
Clover Croft	28	....	**IRISH**		
Craig & Rose £1	615	....	Conv. 9% '80/82	£90	....
Dyson (R. A.) A	35	....	Alliance Gas	98	−5
Ellis & McHdy	64	....	Arnott	352	....
Evered	23	−2	Carroll (P. J.)	97	+2
Fife Forge	52	....	Clondalkin	98	....
Finlay Pkg. 5p	21	....	Concrete Prods.	130	....
Graig Ship £1	140	....	Heiton (Hldgs.)	41	−1
Higsons Brew	74xd	....	Ins. Corp	160	....
Holt (Jos.) 25p	252	....	Irish Ropes	105	....
I.O.M. Stm. £1	292	+5	Jacob	52	....
N'thn. Goldsmith	70xd	....	T.M.G.	195	....
Pearce (C. H.)	198	+8	Unidare	80	....
Peel Mills	21	....			

OPTIONS

3-month Call Rates

Industrials		I.C.I.	20	Tube Invest.	30
A. Brew	6½	"Imps"	6	Unilever	35
A.P. Cement	18	I.C.L.	20	Utd. Drapery	7½
B.S.R.	9	Inveresk	8	Vickers	15
Babcock	11	KCA	3	Woolworths	5
Barclays Bank	25	Ladbroke	17	**Property**	
Beecham	35	Legal & Gen.	14		
Boots	15	Lex Service	7	Brit. Land	3¼
Bowaters	16	Lloyds Bank	22	Cap. Counties	4½
B.A.T.	24	"Lots"	4	E.P.	5
British Oxygen	6	London Brick	5	Intreuropean	4
Brown (J.)	20	Lonrho	5	Land Secs.	16
Burton 'A'	12	Lucas Inds.	25	MEPC	12
Cadburys	5	Lyons (J.)	10	Peachey	8
Courtaulds	10	"Mams"	7	Samuel Props.	9
Debenhams	8	Mrks. & Spncr.	10	Town & City	1¼
Distillers	15	Midland Bank	25		
Dunlop	7	N.E.I.	12	**Oils**	
Eagle Star	11	Nat. West. Bank	22		
E.M.I.	14	Do. Warrants	10	Brit. Petroleum	45
Gen. Accident	17	P. & O. Dfd.	8	Burmah Oil	5
Gen. Electric	18	Plessey	8	Charterhall	3
Glaxo	40	R.H.M.	5	Shell	28
Grand Met.	9	Rank Org. 'A'	18	Ultramar	20
G.U.S. 'A'	20	Reed Intnl.	12	**Mines**	
Guardian	18	Spillers	3		
G.K.N.	22	Tesco	4	Charter Cons.	12
Hawker Sidd.	20	Thorn	22	Cons. Gold	14
House of Fraser	12	Trust Houses	15	Rio T. Zinc	16

FINANCIAL TIMES
Monday December 11 1978

Premier set to quell challenge from Left

BY PHILIP RAWSTORNE

MR. JAMES CALLAGHAN is confidently preparing this week to quell a three-pronged challenge to his authority from Labour's Left-wing.

The Government's pay sanctions policy will be the first target threatened by Tribune Group rebels *in the Commons debate* on Wednesday.

In the next nine days, the Prime *Minister also faces* a determined bid by Left-wing leaders to shape the Labour Party's next General Election manifesto.

This move, led by Mr. Anthony Wedgwood Benn, Energy Secretary, will be backed by efforts to free *him—and any other* Ministers on the party's National Executive—from the restraints imposed by the Cabinet's collective responsibility.

With the Conservatives now making political capital out of the Left's disruptive activity, Mr. *Callaghan is expected vigorously* to reassert his control.

His position has been reinforced by the enthusiastic party support for his line at the Brussels summit; and he is said to be ready for a head-on clash with Mr. Benn, if necessary.

Under wraps

Anticipating the outcome, Lord Thorneycroft, Conservative Party chairman, said yesterday: "Mr. Callaghan will win, not because the kind of state proposed by Mr. Benn is contrary to his wishes or remote from his intentions, but because he judges he will get more votes by keeping these matters mainly under wraps until he has had the chance of *winning the election.*"

Mr. Francis Pym, Tory spokesman on foreign affairs, conceded yesterday that the Prime Minister was also likely to win the Commons vote on pay sanctions.

Mr. Callaghan has left no doubt that the issue is to be treated as one of confidence in the *Government.*

Ministers intend, however, to table a general motion of support for the Government's anti-inflation policy—and though the *Tory amendment opposing sanctions* may still attract Liberal and Nationalist votes, it is un*likely to lure any Labour rebels* into the same anti-Government lobby.

The Left's energies are now expected to be concentrated *behind Mr. Benn's attempts* to press the National Executive's draft manifesto on the Prime Minister and the Cabinet.

Labour's home policy committee, of which Mr. Benn is chairman, resumes its discussion of the bulky document tomorrow.

The 62-page draft contains almost every policy decision made by the NEC and the party conference over the past few years and so far ignored by the *Cabinet.*

It includes a huge extension of public ownership with Government stakes in major industries such as construction and phar*maceuticals in addition to a State* Bank and a reformed Bank of England.

The document calls for powers to secure planning agreements with the country's 100 largest companies; to freeze prices; and to direct investment into indus*try from pension and other* funds.

It urges strict controls over imports threatening areas of manufacturing industry, restraints on multi-national companies, and in the long-term the public acquisition of agricultural *land.*

The draft calls for the creation of 1.5m new jobs; and increased *expenditure on pensions,* unemployment benefits and the Health Service.

A wealth tax is proposed on all personal capital of more than £150,000 and a clampdown on expense allowances and "tax dodges for the rich."

The document also adopts a hostile attitude towards Britain's continued *membership* of the EEC.

Diluted

A full meeting of the National Executive will consider the final draft on December 20—only an hour or two before putting the document before a joint meeting with the Cabinet.

Mr. Callaghan and his senior Ministers intend to mount immediate resistance to the bulk of the proposals. They will insist that many are diluted and others left out completely.

Mr. Dennis Skinner, one of the Left-wing members of the NEC, admitted yesterday that the Prime Minister's will would prevail. "I have fought in every election of the *past 20 years,* either as a candidate or an aide, on a watered-down document," he said. "I do not expect that the next one will be absolutely *to my liking.*

The Left had to fight for its measures if it wanted any included in the manifesto, he said.

*Mr. Callaghan, however, in*tends to crack down firmly on Mr. Benn's attempts to continue that fight from within the NEC while remaining a member of the Cabinet.

The Energy Secretary is expected to be sharply reminded again next week that if he is not prepared to accept Cabinet policy decisions, he will have to resign.

Singer unions seek £2m aid to save jobs

BY RAY PERMAN, SCOTTISH CORRESPONDENT

UNIONS are to approach the Government early this week to ask for about £2m to save 500 of the 2,800 jobs threatened at Singer UK's manufacturing plant at Clydebank.

At talks over the weekend the company agreed to go beyond its previous offer to retain the jobs of 335 people making industrial sewing machines by adding a further 165 jobs to this figure.

Senior American executives of Singer also said they would increase the company's investment at Clydebank from £8m to between £9m and £10m, provided *improvements in productivity* were guaranteed by the workforce and the Government supplied the *remaining capital* needed.

Mr. Gavin Laird, Scottish executive member of the Amalgamated Union of Engineering *Workers, said yesterday that* he would be asking the Scottish Economic Planning Department to meet the company as soon as possible to consider an application for assistance under the 1972 Industry Act.

Singer estimated that between £2m and £4m could be needed from the Government to help pay for new buildings and equipment, and subsidise machines made at Clydebank for a temporary *period so that they could* match the price of competing models, particularly from Taiwan.

But Mr. Laird said unions had estimated that the amount needed could be lower, perhaps £1.75m. "That is a relatively small amount of money for this number of jobs.

"We have changed the company's plan to discontinue the manufacture of industrial sewing machines at Clydebank by a businesslike approach. Not only have we saved 500 jobs, but we *have provided a springboard* from which future expansion can take place."

Mr. Laird added that the company had accepted the basic premise of the £50,000 report prepared by PA Management Consultants—which shop stew*ards commissioned—that there* was still a market for industrial machines made at Clydebank.

"We had consultants negotiating alongside us and challenging the *management's figures* and they did this without extra charge. This was for me a unique *experience and a pleasant one.*"

A document outlining the agreement and the necessity for improvements in productivity, more labour flexibility and a *new wages structure* is now being prepared by unions for distribution to the workforce. It *will be discussed at factory* meetings.

Mr. Ken Baker, national officer of the General and Municipal Workers' Union, said: "Provided *the labour force* accepts the conditions specified by the management, we can look forward to a viable factory with a viable product."

THE LEX COLUMN

Pension fund ostriches

The pension funds have their heads in the sand. They have developed in recent years into a major economic force, and are currently growing at over £3bn a year. Yet many of them persist in *behaving as though* their affairs were of interest to no-one but themselves — a fallacy exposed last week when the TUC repeated its demand for the partial direction of their funds.

Their disclosure *obligations* are minimal, and are all directed at the beneficiary rather than the general public. Members of occupational pension schemes have legal rights to information about their pension benefits. But most — and sometimes all — of what they *get is supplied* on a once-for-all basis when they join the scheme. It is rare for members to be given the kind of detailed and regular information about a fund's investment which would make it possible to monitor the behaviour of fund managers.

Even where performance can be measured — and is found wanting — there is not much anyone can do about it. The only formal redress for financial maladministration is through the Chancery *Division* of the High Court, which is expensive, time-consuming — and seldom used.

Private—keep out

Meanwhile the general public is not seen to have any interest in the performance of the funds, *either* by the *National* Association of Pension Funds or by the Government. Its White Paper on occupational pension schemes, deemed to be too contentious for the present session of Parliament, restricted itself to the role of members in the schemes.

The funds argue that it is not compulsory to set up a scheme in the first place, and that the arrangement is a private affair between employer and employee. So it would be illogical to impose external controls on *public disclosure.* They say that all the funds act independently and in competition with each other, and that a flood of new information about *investment portfolios from* something like 85,000 occupational pension schemes would be of no value to anyone except sensation-seeking journalists.

Information gap

But there are serious shortcomings in the present position. *Apart from anything else,* no one can be sure what the numbers actually add up to so long as there is no central register of self-administered schemes. The Central Statistical Office has said that this is necessary to improve the *quality* of information required for the national accounts. Of course the pension funds are independent, but their investment decisions in aggregate are of crucial importance and public interest.

A more *fundamental* argument for increased disclosure is the discipline that it would impose on individual funds. Quite simply, people are less inclined to cut corners if they know that each year they are *going to be the subject of an* independent, publicly available report.

The funds' answer to this tends to be that their business has so far been remarkably free from scandals. But then they *have been operating in* an especially favourable environment, and the fact that they have generally been able to meet their obligations in the past does not mean that this will always be the case. The rapid *expansion of schemes and* benefits in recent years has provided a burgeoning cash flow to cover the most abject investment howlers. As schemes get close to maturity, this will change. Pension funds sit un*easily under the umbrella of* trust law — which was not designed with them in mind — and there is no reason to assume that their managers are wiser or more virtuous than anyone else in the financial community.

The *Stock Exchange,* in its evidence to the Wilson Committee, suggested that consideration might be given to the idea of a code of best business practice for pension funds, which might eventually be developed into legislation. The National Association of Pension Funds took serious objection to this thought, *and indeed* there was a touch of irony about a champion of self-regulation proposing statutory controls for someone else. All the same, it is hard to fault the Stock Exchange's argument that a high degree of disclosure is especially necessary when savers have no choice as to how or by whom their funds are managed. And it would make sense for the *National Association* of Pension Funds to give a lead in this area.

Appropriate information would include a breakdown of the portfolio into equities, property, gilts, overseas investments and others; details of major equity holdings and property *investments;* a cash flow statement showing where new money came from and where it was invested; and full details of any transaction involving interested parties. This is just a small fraction of what is already *required under the Employee* Retirement Income Security Act in the U.S.

TUC ambitions

However no such initiative is planned by the NAPF, which is happy with the guidelines published by the CBI on disclosure. These are concerned only with the beneficiaries. To their credit, a *number of its* members are already doing a lot better than this. Some of the more shining examples come from the nationalised industry sector, who may be more aware than most of the probability *that if the pension funds* do not make themselves more accountable on their own volition, someone else is going to do it for them. The TUC, which believes that accountability is a matter of having a union hand on the rein, is waiting in the wings.

Lord Armstrong to head Budget reform committee

BY DAVID FREUD

AN *INFLUENTIAL independent* committee on budgetary reform is launched today by the Institute of Fiscal Studies.

It will consider what changes are required *to permit state* expenditure and revenue to be considered at the same time, rather than on the present piecemeal basis.

The committee is chaired by Lord Armstrong, chairman of the Midland Bank and former head of the Civil Service.

The inquiry is the institute's *response to a book published* today, which calls for "a complete and impartial review of the whole budgetary system, including the economic framework, *the expenditure system* and parliamentary procedure."

The book, "The Measurement and Reform of Budgetary Policy," is written by Mr. Terry Ward, an economist at Cambridge University, and Professor Robert Neild, Professor of Economics at Cambridge.

They argue that budgetary policy, now issued in successive fragments in the Public Expenditure White Paper, the Supply Estimates and the *Financial Statement* and Budget Report, should be presented instead in a single document covering both the short and the medium term.

Members of the committee include the two authors, as well as Mr. Samuel Brittan, economics editor of the Financial Times, Mr. Nigel Lawson *and Mr. John Pardoe, economic* spokesman for the Conservative and Liberal parties respectively, and Mr. John Garrett, a Labour member of the general sub-committee of the Commons Expenditure Committee.

The launching of the committee comes as pressure is increasing in Parliament for reform and simplification of budgetary control.

MPs of all parties have argued *that the present system is out of* date, and incomprehensible to all but a small minority of specialists and Treasury employees. The complication makes monitoring of public expenditure by backbenchers an uphill task, and discourages *public debate.*

The amalgamation of the cash limits system with the traditional spring Estimates over the *next two years is seen by several* members of the Expenditure and Public Accounts committees as the first step to a wider reform.

In their book, Mr. Ward and Prof. Neild argue that the concept of the constant—or full—employment budget balance, used in West Germany, the Netherlands and the U.S., should be used as an aid to formulating policy in any reform.

They say that in recent years, *the balance in the budget has* come back into use as a guide to fiscal policy, but the actual budget balance, defined as the public sector borrowing requirement, now used for this purpose, is defective since it is influenced by changes in economice activity, as well as by changes in tax rates and expenditure schedules.

A constant employment framework would enable expenditure and taxation estimates to be brought *together and planned* over a medium-term horizon.

The Measurement and Reform of Budgetary Policy by Mr. Terry Ward and Professor Robert Neild, Heinemann Educational for the Institute of Fiscal Studies, 118 pages, paperback, £4.50.

Household insurance rates to go up

BY ERIC SHORT

TWO MORE leading insurance companies are to increase their rates for household contents policies in the New Year to meet rapidly rising costs and a third *has warned that it intends to do* so.

Phoenix Assurance is putting up its rate for standard indemnity cover, which has *remained unchanged for 50* years, in a step which follows the trend set earlier this year by other major composite insurers such as Guardian Royal Exchange, Sun Alliance, and General Accident. Eagle Star Insurance is to make it compulsory for all policyholders having contents insurance to index-link their contracts. Both changes will operate from January 1.

The third company, Legal and General, has stated that rates are to go up in the New Year but it has not decided on the size of the increase.

Phoenix's standard rate for indemnity cover is being raised *from 25p per cent to 30p per* cent, while its new-for-old policies rise from 30p per cent to 35p per cent. *Under indemnity* cover only the value, with an allowance for depreciation, is paid, but under new-for-old the full replacement cost of an item is paid.

Suffering

In Central London, the highest rated area in the country, Phoenix will be charging 75p per cent for indemnity cover and 80p per cent for full replacement cover. Unlike some small insurers, which have ceased to write new business in these areas, Phoenix *is to continue to accept busi*ness in Central London, even though it is making severe losses there.

Like all other insurers, the company is suffering from substantial losses on its British householder account because of three main *factors—rising theft* rates, under-insurance and policyholders becoming more claim-conscious.

To combat under-insurance Phoenix undertook a campaign two years ago to get policyholders to insure for the correct value of the items covered. It persuaded 90 per cent of its *policyholders to increase sums* insured and to link the cover to various indices so that uprating was automatic.

Starting next month Phoenix *intends* to impose an "average" clause on any contents policy which is not index-linked. This means that if, when a claim occurs, the policyholder is *grossly* under-insured, then the amount paid on that claim will be scaled down pro-rata to the actual amount of insurance cover.

This will affect nearly 200,000 policyholders and is expected to end losses on the householder *account* for all areas outside London, but further premium rate increases could occur for householders in the London area.

Eagle Star will not only make it compulsory for contents insurance to be index-linked but policyholders will also have their cover increased to bring it into line with present costs.

This move is aimed at making the sums insured more realistic. But there is no intention to in*crease basic premium rates.*

Skill shortages plan to be launched

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

AN EXPERIMENTAL scheme aimed at trying to stem the grow*ing shortages of skilled workers* in five key areas of industry is to be launched soon by the Manpower Services Commission with the full backing of the Government.

It comes as the Department of Employment is prepared to *admit for the first time during* the present economic cycle that the problem of shortages of skilled workers is worsening.

Called the "skilled workers' mobility experiment," the new scheme will complement the existing but complicated employ*ment transfer scheme's array of* financial aid for workers earning less than about £5,000 a year who move home to find new jobs.

The experimental arrangements will provide an extra lump sum payment of £500 and will apply to certain categories of skilled workers, whatever the size of their wage packets.

This, it is hoped, will be especially useful where highly-paid skilled workers are in short supply.

The five areas of industry chosen for the experiment are domestic electric appliances, construction equipment, pumps and valves, *diesel engines,* and food and drink machinery. The first four of these are among the handful of priority areas chosen for various sorts of special help under the Government's industrial strategy.

But there is some concern both in the Commission and the Government that such incentives for labour mobility provide only a partial answer.

Breweries may swap more pubs

By David Churchill,
Consumer Affairs Correspondent

PROPOSALS to break up local monopolies of public houses owned by the big breweries in certain parts of the country will be discussed today at a meeting between brewers' leaders and Mr. Roy Hattersley, Prices Secretary.

The proposals are believed to include an exchange of up to *1,000 of the 51,000 public houses* currently owned by the big brewers.

The plan is for brewers which have a near-monopoly in particular areas to exchange some of their public houses with those of brewers in areas where their influence is less.

The existence of local monopolies of public houses was due to *the rapid mergers and takeovers* in the industry in the 1960s, which left the big breweries with a high concentration of public houses in certain areas. Gloucestershire, Northamptonshire and Norfolk, in particular, are areas with extensive local monopolies.

Details of the public houses to be exchanged have been worked out by the Brewers' Society at the request of Mr. Hattersley. The Department of Prices is concerned that local monopolies may *restrict the choice of beers and* affect standards of competition between public houses.

While the brewers reject this argument, they have agreed to co-operate with the Department.

If the exchanges are agreed in principle at today's meeting, *they are likely to take some* years to implement. A swap of about 500 public houses which was agreed last year took more than two years to negotiate, and *has caused considerable unrest* among pub managers and trade unions.

Continued from Page 1

Meriden interest

has been a series of management changes, with both GEC and GKN *seconding temporary teams of* executives.

Interest on the original £4.2m was deferred under a second Government rescue, negotiated in *February last year, but the* accumulated charges become payable from June 30 next year.

Meriden's worker-directors have still to approve details of any application for the waiving of interest payments. But the *changes now under way seem* designed to convince Ministers that the co-operative will become a professionally managed and potentially profitable operation.

John Elliott writes: The Kirkby co-operative's request for further State aid will be made *today after a mass meeting has* heard a report on what the Government has done so far to help from Mr. Alan Williams, Minister of State for Industry.

The co-operative is facing an immediate cash crisis, with creditors such as the British Steel Corporation demanding payment of debts. By lodging a *fresh claim for State aid, how*ever, the co-operative may be able to buy more time.

Continued from Page 1

Healey and EMS

tries, not just in Europe but elsewhere.

"*We've done that very success*fully for the last 20 months with a margin of fluctuation which, except for two months, was under 2 per cent, which is smaller than the margin in the system."

Mr. Healey said that the central problem of getting stability in Europe is the "disproportionate effect of changes in the value of the dollar on the value of the Deutsche Mark and *there is no chance of greater* stability among European currencies unless this problem is faced head on." The Chancellor said he hoped very much that this would be one of the issues which heads of government, including Mr. James Callaghan, would tackle at their meeting at Guadeloupe in early January.

Weather

UK TODAY

CLOUD and rain, clearing later.

London, S.E., E. Anglia, Cent. S., E. England Midlands, Highlands, S., E. Scotland.

Cloudy, rain at times, becoming clearer. Max. 13C (55F).

S. W. England, Channel Islands, Wales, Isle of Man, N. Ireland, Lakes, Argyll, Cent. Scotland, Scottish Islands.

Rain at first, becoming clearer with some *sunny intervals.* Max. 11-14C (52-57F).

Outlook: Unsettled and windy. Mostly mild.

BUSINESS CENTRES

		Y'day midday °C	°F			Y'day midday °C	°F
Amsterdm	C	10	50	Madrid	F	15	59
Athens	R	9	48	Manchestr	C	14	57
Barcelona	F	17	63	*Melbourne*	S	25	77
Belfast	C	13	55	Mexico C.	C	17	63
Belgrade	R	3	37	Milan	Fg	−3	27
Berlin	C	10	50	Moscow	Sn	−8	18
Birmnghm	C	14	57	Montreal	S	−6	21
Bristol	C	14	57	Munich	C	8	46
Brussels	R	12	54	Newcastle	R	10	50
Budapest	F	7	45	*New York*	F	−1	30
B. Aires	S	23	73	Oslo	S	−9	16
Cairo	S	22	72	Paris	C	13	55
Cardiff	R	14	57	Prague	F	6	43
Cologne	R	8	46	Reykjavik	R	5	41
Copenhagn	R	1	34	Rio de J'o	R	38	80
Dublin	C	13	55	Rome	S	13	55
Edinburgh	C	11	52	*Stockholm*	C	−7	19
Frankfurt	R	7	45	Strasburg	C	8	46
Geneva	F	8	46	Sydney	C	19	66
Glasgow	C	14	57	Tehran	C	4	38
Helsinki	Sn	−3	27	Tel Aviv	F	18	64
H. Kong	S	25	77	Toronto	S	—	21
Jo'burg	S	24	75	Vienna	C	8	46
Lisbon	C	17	63	Warsaw	Sn	−3	27
London	C	14	57	Zurich	C	7	43
Luxembrg	C	7	45				

HOLIDAY RESORTS

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	17	63	Istanbul	C	7	45
Algiers	S	21	70	Jersey	C	13	55
Biarritz	F	20	68	Las Plms	S	22	72
Blackpool	C	13	55	Locarno	S	6	43
Bordeaux	C	17	63	Majorca	C	15	59
Boulogne	F	15	59	Malaga	F	19	66
Casablnca	S	24	75	Malta	S	19	66
Cape Tn.	S	26	79	Nairobi	R	21	69
Corfu	S	17	63	Nice	S	15	59
Dubrovnik	S	14	57	Nicosia	F	17	63
Faro	F	22	72	*Oporto*	R	16	61
Florence	F	8	46	Rhodes	R	11	52
Funchal	F	20	68	Salzburg	C	7	45
Gibraltar	S	18	64	Tangier	S	22	72
Guernsey	C	13	55	Tenerife	S	18	66
Innsbruck	C	2	36	Tunis	S	20	68
Inverness	C	9	48	Valencia	S	20	68
Is. of Man	C	13	55	Venice	Fg	−3	27

S—Sunny, C—Cloudy, F—Fair, Fg—Fog, Sn—Snow, R—Rain.

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